

# DRAFT IDP DOCUMENT



**GAMAGARA**  
*Local Municipality*



# 2012-2017

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# **GENERAL**

## LIST OF ACRONYMS

IDP	INTEGRATED DEVELOPMENT PLAN
NCPDGS	NORTHERN CAPE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY
DDGS	DISTRICT GROWTH AND DEVELOPMENT STRATEGY
DORA	DIVISION OF REVENUE ACT
LED	LOCAL ECONOMIC DEVELOPMENT
SMME	SMALL MICRO AND MACRO ENTERPRISES
MIG	MUNICIPAL INFRASTRUCTURE GRANT
GLM	GAMAGARA LOCAL MUNICIPALITY
DBSA	DEVELOPMENT BANK OF SOUTH AFRICA
SLP	SOCIAL AND LABOUR PLAN
PGDS	PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY
CDW	COMMUNITY DEVELOPMENT WORKERS
NGO's	NONE GOVERNMENTAL ORGANISATIONS
SDBIP	SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN
PMS	PERFORMANCE MANAGEMENT SYSTEM
JTGDM	JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY
MFMA	MUNICIPAL FINANCE MANAGEMENT ACT
MSA	MUNICIPAL SYSTEMS ACT
INEP	INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME
MTEF	MEDIUM TERM EXPENDITURE FRAMEWORK
EPWP	EXPANDED PUBLIC WORKS PROGRAMME
KPA	KEY PERFORMANCE AREA
KPI	KEY PERFORMANCE INDICATOR
COGHSTA	CO-OPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS

## 1. INTRODUCTION:

In terms of section 34 of the Municipal Systems Act 32 of 2000 as amended, a municipal council must review its integrated development plan:

- (i) Annually in accordance with an assessment of its performance measurements; and
- (ii) To the extent that changing circumstances so demand.

Based on the review a municipal council may amend its integrated development plan in accordance with a prescribed process.

In compliance with the above, Gamagara Municipality has embarked on a five year plan and further develop its IDP and Budget towards the 2012/13 financial year in accordance with the requirements set out in the Municipal Systems Act 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 & 2006 and the Municipal Finance Management Act 56 of 2003. Annual revisions allow the municipality to expand upon or refine plans and strategies, to include additional issues and to ensure that these plans and strategies inform institutional and financial planning. The review and amendment of the IDP thus, further develops the IDP and ensures that it remains the principal management tool and strategic instrument for the Municipality.

### 1.1 Municipal Vision and Mission:

Through strategic planning session, council and administration has refined the vision and mission of the institution to be more comprehensive and realistic, thus making it a usefull instrument in guiding the actions of the municipality, citizens and key stakeholders in the development process.



### SLOGAN: KHUMO E MO LEFATSHENG

### 1.2 MISSION

The Gamagara Municipal Council and Administration will strive to:

***To provide universal, sustainable services to the community in order to attain a safe and healthy environment, as well as socio-economic development by exploiting economic benefits and strengthening stakeholder relations***

## FOREWORD BY THE MAYOR



**Councillor M M Diniza**

**Mayor**

The council of Gamagara Municipality remains committed to a comprehensive integrated development and budgeting process. The Municipality will now be judged by its ability to deliver services, promote socio-economic development, and deepen democracy and accountability towards our constituencies since 2006 - 2011. We have to take cognisance of the inputs made by members of public and communities we serve during the public participation processes. These processes will be able to assist the council to focus mainly in the critical aspects to deliver services particularly in the deprived areas.

The IDP provides us with an opportunity to create a better, brighter future for all of us, by increasing the opportunity for input from all parts of our community and sectors involved.

The council of Gamagara Municipality takes note of the significant growth of the area of Gamagara, particularly Kathu and Sesheng, which puts a heavy load on service delivery. However, working together with the community, we hope to exploit the development to the advantage of all residents of the Gamagara Municipality both socially and economically.

Over the years this council has performed exceptionally well and we hope to keep the momentum for the benefit of our excellence in provision of services to the entire population within our boundaries.

As we end the current financial year I would like to send my words of gratitude on behalf of the Gamagara Municipal Council to thank communities, ward committees and CDW's for their unselfish participation and commitment during the IDP/Budget process through their respective wards, also other sectors who made it possible for us to compile such a document which will guide us through in the coming financial year in order to improve people's lives.

We are inspired by your dedication and commitment to the public participation programme of government; you will forever remain critical role players as well as drivers of these processes as we enter the second transition of our government since 1994.

In conclusion we call upon all strategic sectors to join hands with government in a form of Private public partnerships to expedite Infrastructure development program as announced by the President of South Africa in his State of the Nations Address in order to create jobs and improve people's lives.

**“Together we can build better communities”**

**MARIA DINIZA**  
**MAYOR**

**31<sup>st</sup> MAY 2012**  
**DATE**

## FOREWORD BY THE MUNICIPAL MANAGER



**MR T C ITUMELENG**  
**MUNICIPAL MANAGER**

The Integrated Development Plan is a key document in the life of a municipality. It seeks to guide both citizens and staff, and to clearly set out the strategic direction of the Municipality, and how it will allocate its resources. The documents refer to the following important developmental pillars, e.g. Constitution of the Republic S.A, Municipal Systems Act, etc. MFMA. It provides for a developmental approach from government at this most important sphere.

The process of consultation, interaction and participation of councillors, ward committees, community at large and other stakeholders ensure a true reflection of the IDP Plan for the Municipality.

As administration our task is to ensure that this plan is done in an integrated manner to reflect the interest of the poor, rich, employed, unemployed, Homeless, young people, the old, women as well as disabled. It is therefore our endeavour to structure the organisation to present as IDP document that address the 5 National Key Performance Areas as outlined in the government's plan for a differentiated approach to local government.

Gamagara Municipality has experienced significant and unprecedented growth in the past years. This growth calls upon the Municipality to increase its institutional capacity for proper implementation of service delivery. It is therefore clear that administration will be expected to go an extra mile to ensure continuous and hassle free service delivery. Taking note of abovementioned, the Municipality will ensure that the economic potential of the area is exploited and the services required to ensure its flourishing are delivered.

We however, also call upon all relevant stakeholders to participate fully in the implementation of this document. If we do not work together, this plan will be meaningless as everyone will be doing their business without taking cognizance of the other. The growth in mining activities leads to influx of migrant labour that needs accommodation and use the available basic service, which are then strained. As things stands, all the bulk services are operating beyond capacity

I wish to extend my sincere gratitude to all individuals who have contributed to the establishment of a sound basis for Integrated Development Planning at this Municipality. I am proud of what we have achieved thus far. We call upon all stakeholders (mining houses, provincial and national government) to come to the table and help us channel this growth to benefit all. This is an opportunity to define equitable sharing of development rewards and we should use it to the maximum.

The journey to build Gamagara Municipality as an economic centre starts now and we should all put our hands on the deck to make it a reality.

As the Gamagara Administration, we open our hands to welcome all partners willing to go with us in this journey.

**T. C. ITUMELENG**  
**MUNICIPAL MANAGER**

**31<sup>st</sup> MAY 2012**  
**Date**



## EXECUTIVE SUMMARY:

This document is known as the Integrated Development Plan of the Gamagara Local Municipality. It is a product of the strategic planning process in this Municipality, also known as the Integrated Development Planning process. The Plan is developed over a period of 9 months (Sept'11 to May'12), in close cooperation and alignment with the Provincial and National Departments as well as NGO's and Private Institutions and the community at large. The IDP is the principal strategic planning document, which guides and informs all planning, budgeting, management and decision-making of this Municipality. This is the first cycle of the 5 year plan, running from 2012/13 – 2016/17.

This Plan was developed in terms of the Municipal Systems Act and its regulations. It is a legislative requirement with legal status, superseding all other plans that guide development in this Municipality.

For the current cycle (2012/13) the Municipal Turnaround Strategy has added an additional dimension to the planning, strategy and project formulation processes exposed in the IDP. The Municipality also throughout the process took a conscious decision to focus on its core powers and functions as depicted in Schedule 4 and 5 of the Constitution (See table 1 for a summary of these allocated functions of the Municipality).

The District Growth and Development Strategy (DGDS) impacted the core of the planning process. This resulted in the IDP being aligned with the DGDS, IDP of the District Municipality (JTGDM), which plays a critical role in ensuring support and assistance in terms of planning purposes.

In order to deliver services in the most efficient and effective ways, community-driven development priorities were identified and translated into development goals. In the case of the Gamagara Local Municipality, the following development goals or Key Performance Areas (KPA's) were set for the next 5 years which were determined by the Municipality at its strategic session and are as follows:

<b>Priority No.</b>	<b>PRORITY ISSUES 2012- 2014</b>
<b>1</b>	Provision of basic services (including Waste Management
<b>2</b>	Upgrading and maintenance of Infrastructure
<b>3</b>	Human Settlements and Land Development
<b>4</b>	Local Economic Development and Job Creation
<b>5</b>	Transversal Groups and Youth Development
<b>6</b>	Recreational, Sport, Arts and Culture
<b>7</b>	Community Safety
<b>8</b>	Good Governance
<b>9</b>	Skills development
<b>10</b>	Administrative and financial viability

#### iv. Plans and Planning Requirements binding in terms of National and Provincial Legislation on the district Municipality and Local Municipalities

For the last five years, Government measured the performance of municipalities in terms of the 5-Year Strategic Agenda for Local Government, which focused on the 5 prescribed key performance areas identified for municipalities across the country, namely:

Key Performance Area	Description
<b>Infrastructure &amp; Basic Services</b>	The provision of applicable infrastructure and the maintenance thereof.
<b>Local Economic Development</b>	The stimulation, strengthening and improvement of the local economy in order to achieve sustainable growth.
<b>Financial Viability and Financial Management</b>	The promotion and maintenance of a financially viable municipality.
<b>Good Governance and Public Participation</b>	The role of ward committees and CDW's for ensuring effective public participation.
<b>Municipal Transformation &amp; Institutional development</b>	The facilitation and development of sustainable service delivery capacity building in the municipality.

The implication was that the IDP, as the starting point of the performance management process, was structured according to the identified 5 KPAs (Key Performance Areas). However, since the approval of the Local Government Turnaround Strategy by National Cabinet on 2 December 2010, and the subsequent signing of the performance contract regarding Outcome 9 of the National Outcomes, the structure and contents of national priorities have changed. It could therefore be concluded that the way in which IDPs are structured must also change to reflect the new performance management framework of National Government

Two of these Outcomes are specifically relevant for municipalities, namely Outcomes 8 and 9.

#### **Outcome 8: Sustainable human settlements and improved quality of household life.**

**Outputs** in terms of Outcome 8:

Output 1: Upgrading of 400,000 units of accommodation within informal settlements.

Output 2: Improving access to basic services.

Output 3: Facilitate the provision of 600,000 accommodation units within the gap market for people earning between R3, 500 and R12, 000.

Output 4: Mobilization of well-located public land for low income and affordable housing with increased densities on this land and in general.

Although municipalities have a supportive role to play in respect of all four of these outputs, output 2 is especially important, because it relates to universal access to basic services:

- ☐ Water from 92% to 100%
- ☐ Sanitation from 69% to 100%
- ☐ Refuse removal from 64% to 75%
- ☐ Electricity from 81% to 92%

#### **Outcome 9: A Responsive, accountable, effective and efficient local government system**

**Outputs:**

Output 1: Implement a differentiated approach to municipal financing, planning and support

Output 2: Improving access to basic services.

Output 3: Implementation of the Community Work Programme

Output 4: Actions supportive of the human settlement outcome

Output 5: Deepen democracy through a refined Ward Committee model

Output 6: Administrative and financial capability

- 1. GEOGRAPHICAL PROFILE**
- 2. DEMOGRAPHIC AND SOCIO- ECONOMIC INFORMATION**
  - 2.1. CONSTITUTIONAL MANDATE, POWERS FUNCTIONS**
  - 2.2. THE PLANNING PROCESS**
  - 2.3. INSTITUTIONAL ARRANGEMENTS AND RESPONSIBILITY**
  - 2.4. PUBLIC PARTICIPATION**
  - 2.5. ALIGNMENT**

## **ANALYSIS PHASE I**

## SECTION B: ANALYSIS PHASE I

### Geographic Profile

Gamagara Local Municipality comprises of an area of 2619 square kilometres, and is located in the North Eastern sector of the Northern Cape, on the N14 National Road between Upington and Kuruman. It is approximately 200km North East of Upington and 280km North West of Kimberley. The municipal area of Gamagara consists of 5 towns, Kathu, Sesheng, Dibeng, Dingleton, and Olifantshoek; demarcated into 5 wards. (Ward 1: Kathu, Ward 2: Dibeng, Ward 3: Dingleton, Skerpdraai, Diepkloof, Ward 4: O'hoek, Ward 5: Sesheng) It also consists of a



large farming and a considerable mining area.



The single largest factor that has guided the development of the Gamagara area is the iron ore mine at Sishen. Not only does the mine provide jobs to thousands of people, but it was also the reason for the establishment of the town of Kathu. Kathu is the largest town within the municipality and is also the administrative and economic centre of Gamagara Local Municipality.

The table below illustrates the councilors of the Municipality

Councillor	WARD	POSITION	Political Party	Gender
Clr. M M Diniza	Ward 4	MAYOR	ANC	Female
Clr. G. Vos	Ward 1	Councillor	DA	Male
Clr F. Van den Heever	Ward 1	Proportional Representation	DA	Female
Clr. D. P. Moyo	Ward 1	Proportional Representation	ANC	Female
Clr. T.E. Tiroyame	Ward 2	Councillor	ANC	Male
Clr. O. E. Hantise	Ward 3	Proportional Representation	ANC	Male
Clr. V. Gorrah	Ward 3	Councillor	ANC	Male
Clr. J. C. Kaars	Ward 4	Proportional Representation	DA	Male
Clr. J. Johnson	Ward 4	Proportional Representation	COPE	Male
Clr. P. Selonyane	Ward 5	Councillor	ANC	Female

## Demographics and Socio-economic information

The purpose of this section is to provide an overview of the current socio-economic status of the population in the GLM in terms of demographics, employment status, education levels, household income and access to services. This section also provides an assessment of the social dynamics within these communities and the implications thereof on all spheres of development. An understanding of the development context will inform the study, ensure relevant projects, guide implementation and coordination, and place local conditions into perspective.

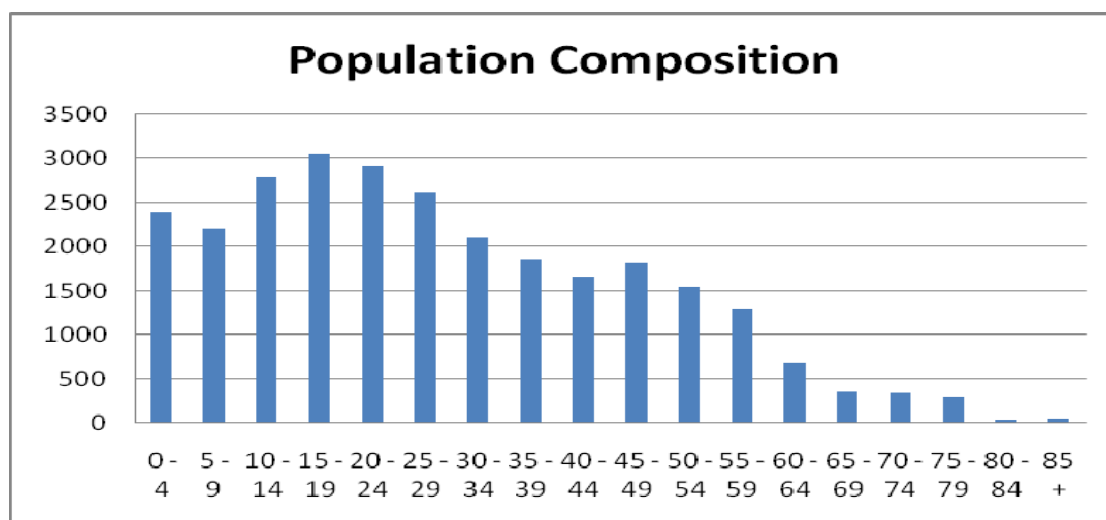
Demographic trends are influenced by economic growth in that where there is little economic activity, poverty and unemployment are widespread.

Where there is a lot of economic activity, the population tends to be greater as people migrate into areas where they can earn a living. The ability to earn a living therefore affects the level of skills in an area.

In geographic areas where poverty is the norm, education levels and the level of skills are also normally low as such communities cannot afford to educate their offspring. Such are the discrepancies that the LED process seeks to iron out.

The population of Gamagara grew by 20.91% from 2001 to 2007, to 28,053. The municipality is mainly dominated by the African racial groups who make up 75.43%, followed by the White racial group (24.57%), with Afrikaans being the most spoken language (49.91%) and English (27.06%). The current trend indicates an increasing population growth in Gamagara Local Municipality.

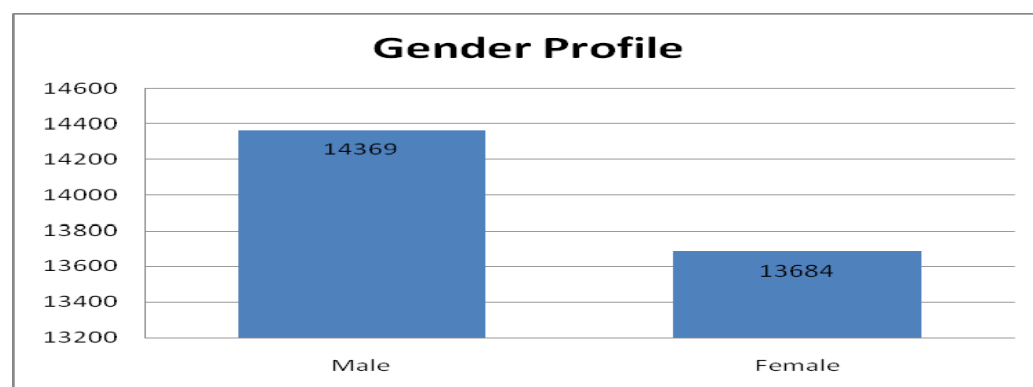
**Figure 1: Population Composition**



Source: Community Survey 2007

The population of Gamagara is largely youth – 35 years and below (64.46%), and an economically active population 19,54 (69.66%), and (3.97%) of population are pensioners. The majority of the population is of income generating age and therefore potential economic contributors, with the precondition that adequate employment opportunities are available.

Figure 2: Gender Profile



Source: StasSA, Community Survey 2007

The gender ratio of Gamagara is 51.22% male and females (48.78%).

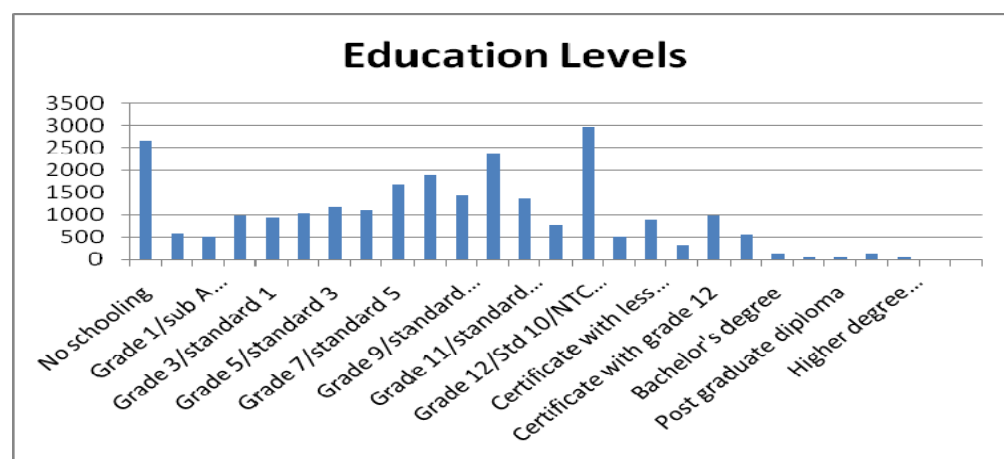
The almost equal distribution of gender is a positive factor in terms of social stability, especially in a mining area where there is normally a greater disparity between the number of males and females.

The growth of mining activities in the area result in high prevalence of HIV/Aids and other social ills.

### Education and Human Capital

Education is often a means to expand the range of career options a person may choose from and a influence on a person's income and ability to meet basic needs and thus an important indicator of human development.

Figure 3: Population Levels of Education



Source: StasSA, Community Survey 2007

A significant number of the population (11.86% or 3,470) in Gamagara have obtained grade 12 (10.90% or 2,727) obtaining certificates and diplomas, and (1.40% or 350) obtaining higher degrees. However, (10.60% or 2,653) of the population have no schooling.

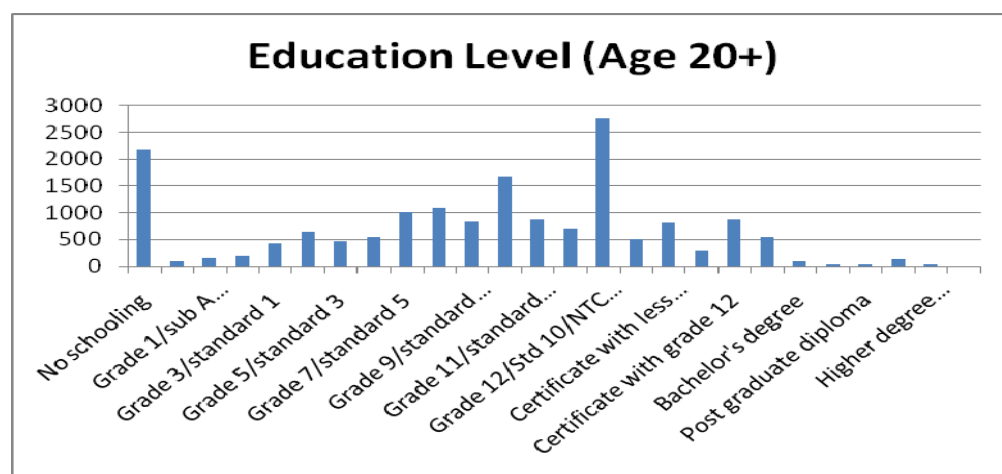
The population of Gamagara is primarily unskilled, and the poor education base restricts

development and diminishes the chances of employment.

Figure 4: Adult Level of Education

The level of education determines the mix of skilled labour within an area. Furthermore, a population that is skilled does not necessarily aspire to employment but to entrepreneurship, which will add businesses to the area, increase economic activity and consequently increase the number of jobs available.

Source: StasSA,



Source: StasSA, Community Survey 2007

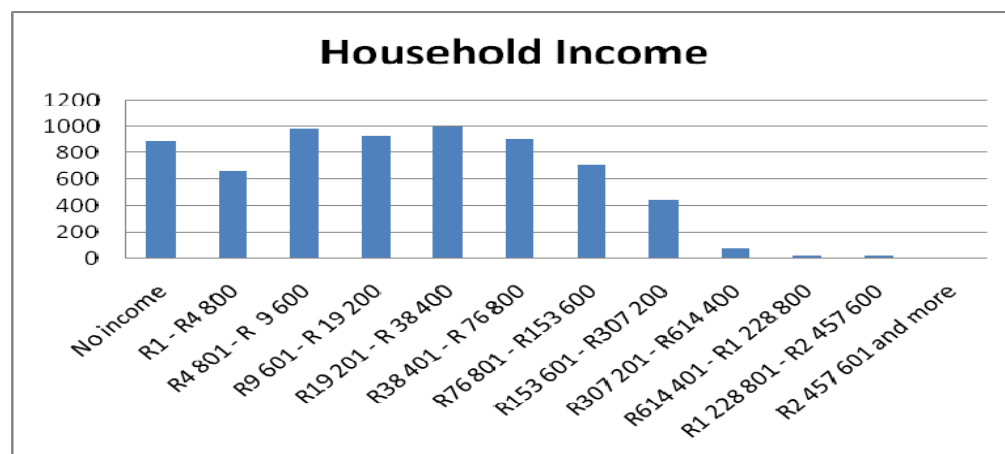
Approximately 12.76% of adults are without education in Gamagara, and an estimated 19.16% have completed std.10. Those that have acquired higher education is slightly lower than those who completed std. 10, Gamagara (16.87%). The low levels of education will result in low levels of absorption in the labour market and would result in increased levels of unemployment in the area.

One of the challenges highlighted in the ASGISA document is the fact that there is a shortage of suitably skilled labour in South Africa, a challenge that is being addressed by the Joint Initiative Priority Skills Acquisition (JIPSA) institution. *Industries as well as GLM, through the LED process, may consider adult education, apprenticeships (where each individual learns the job from the lowest entry level), and sponsorship of talented matriculants whose parents may not have the resources to fund tertiary education.* It would be worthwhile to ensure that literacy lessons in the language of instruction are conducted to ensure high levels of comprehension of the reading material in the subjects that are offered by the educational programme.



## Poverty and Inequality

Figure 5: Household Income



**Source: SA National census 2001**

An estimated 52.17% of households in Gamagara live below the subsistence level of R19200 per annum indicating high levels of poverty in the area. And 13.44% of household have no income

Table 4: Social Grants

GOVERNMENT GRANTS	
GRANTS	NUMBER OF RECEPIENTS
	GAMAGARA
OLD AGE PENSION	956
DISABILITY GRANTS	1100
CHILD SUPPORT	2058
CARE DEPENDANCY GRANT	33
FOSTER CARE GRANT	43
GRANT IN AID	42
SOCIAL RELIEF	28
MULTIPLE SOCIAL GRANT	72
IISTITUTIONS	247
TOTAL	4579

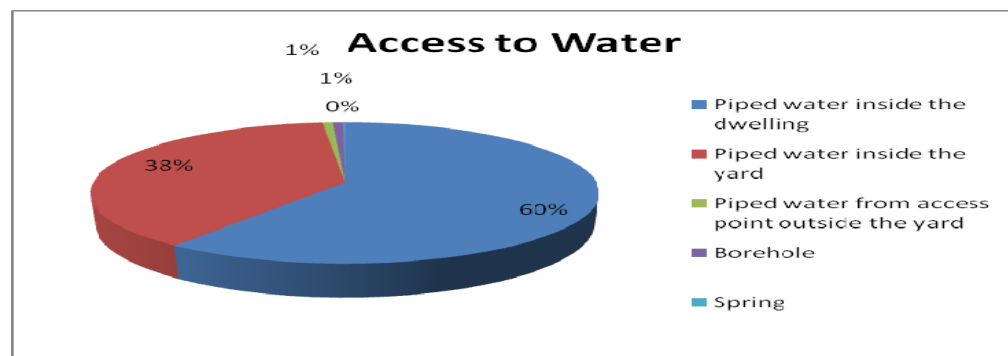
Source: StatsSA, Community Survey 2007

In 2007 the government issued 4,579 grants in Gamagara Municipality. The majority of the grants



issued are for child support (44.94%), physical disabilities (24.02%), and old age pensions (20.88%). Approximately 16.32% of the population is reliant on government grants.

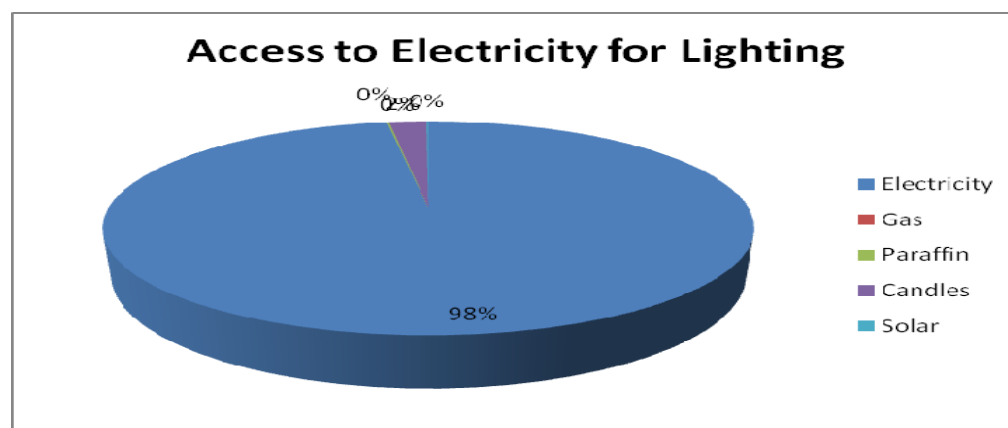
*Figure 6: Access to Services*



Source: StatsSA, Community Survey 2007

Majority of households have access to water (98%) inside their premises in Gamagara, indicating improvements in service delivery and better access to services.

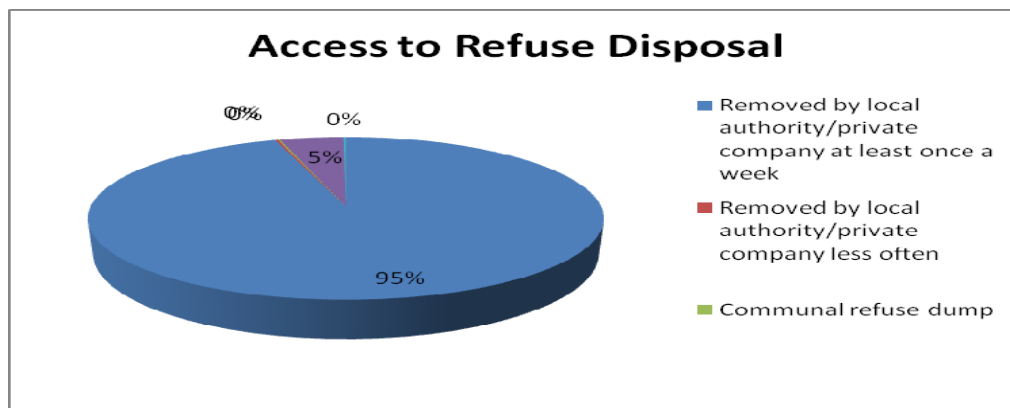
Source: StatsSA,



Source: StatsSA, Community Survey 2007

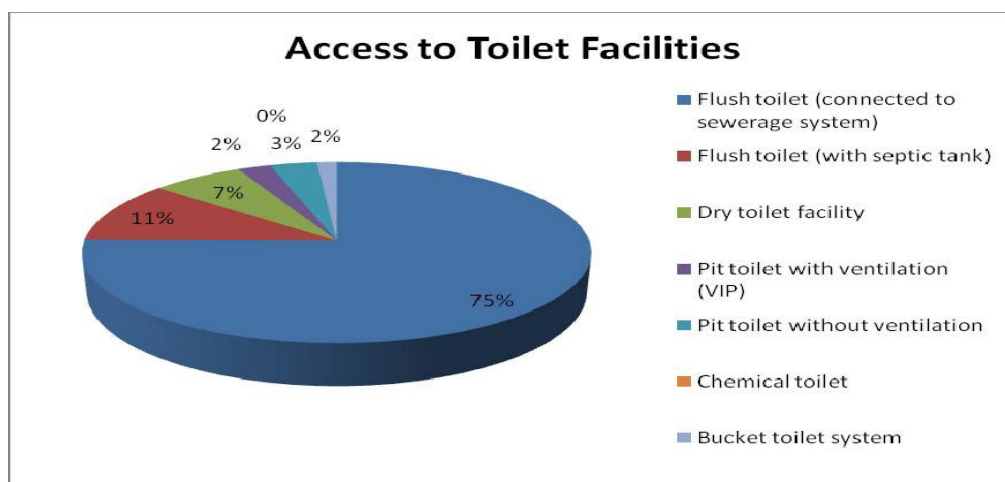
98% of households have access to electricity in Gamagara Municipal area, one can also assume that access to energy for heating and cooking purposes will be at the same level.

There is a need for systematic refuse removal to ensure good health and hygienic conditions for the people who live within the boundaries of any municipality. The site where refuse is dumped has to be chosen strategically so as to avoid having residential or commercial sites nearby. Dumpsites subtract aesthetic value and contribute to air pollution.



Source: StatsSA, Community Survey 2007

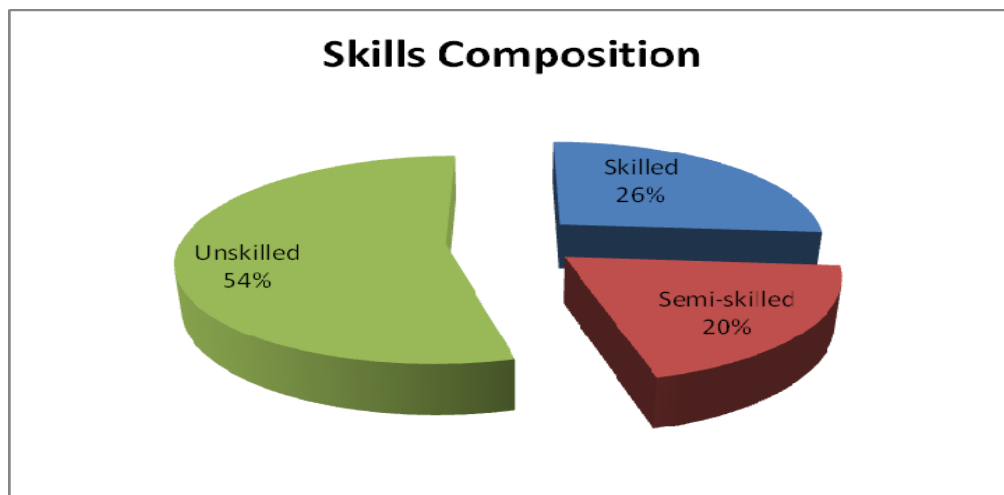
95% of households have access to refuse removal once a week in Gamagara.



Source: StatsSA, Community Survey 2007

75% households have access to a flush toilet connected to sewerage system, while only 2% households are still using a bucket system in Gamagara.

*Figure 7: Skills*



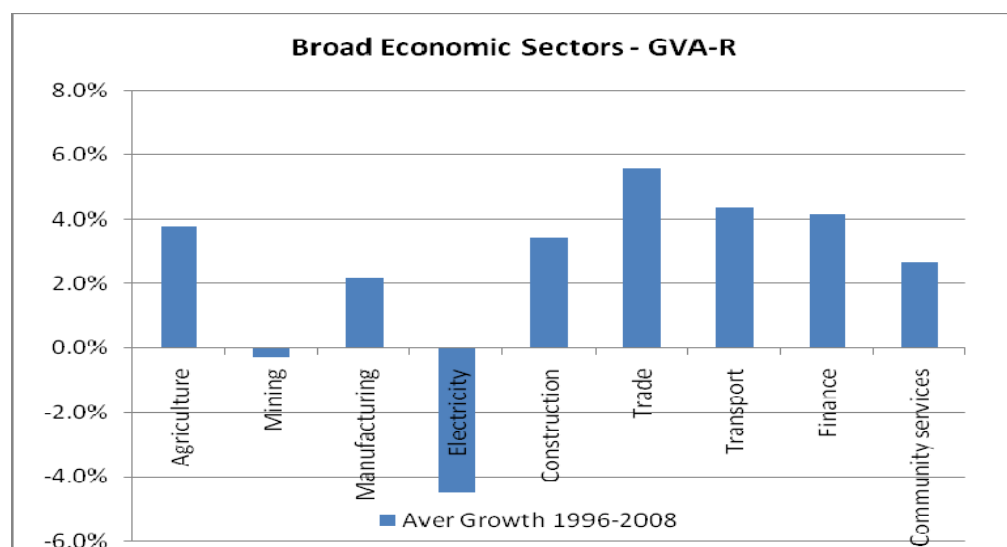
Source: StatsSA, Community Survey 2007

Unskilled occupations account for the largest share of employment (54%) followed by skilled (26%) and semi-skilled (20%) in Gamagara.

### 3.3 Economic Profile

The purpose of this section is to provide a broad economic analysis of Gamagara Local Municipality and the local economies in the four towns within the context of the broader region so that comparisons and linkages with the broader economic community can be made

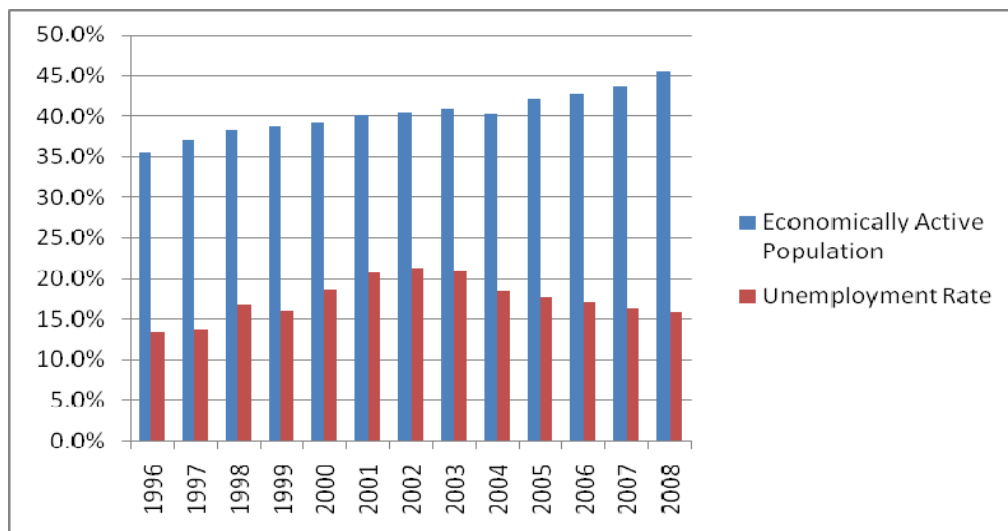
*Figure 8: Average Growth Rate*



Source: Global Insight 2009

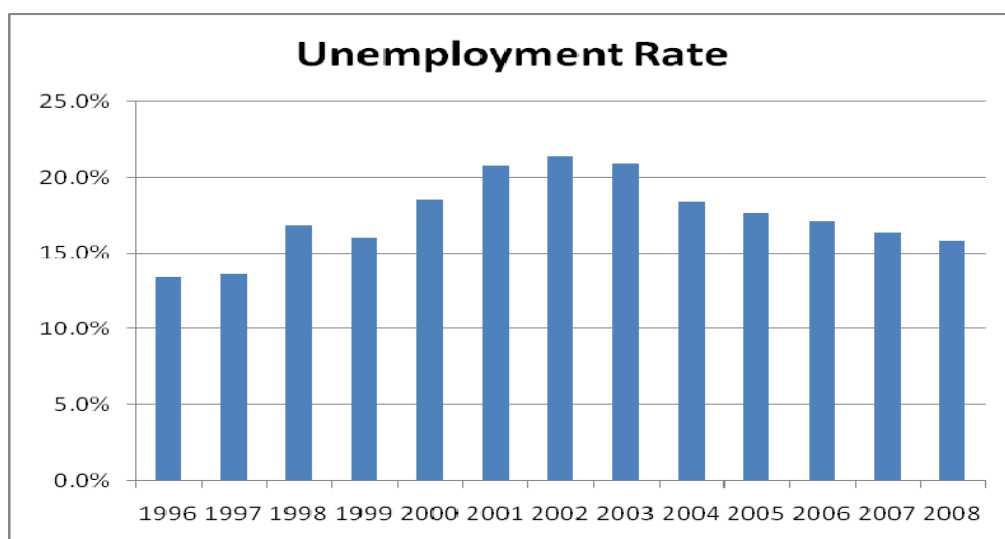
Trade (5.6%), Transport (4.2%), Finance (4%) and Agriculture (3.8%) are fastest growing sector on average. There is direct correlation between the demand in electricity and the declining in mining.

*Figure 12: Labour and Employment*

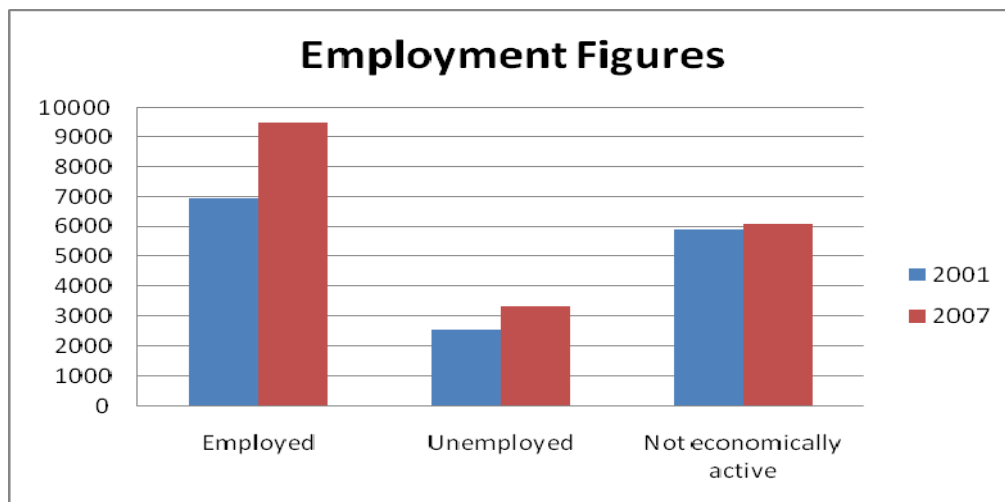


Source: Global Insight 2009

Unemployment has been on the decline since 2004. More than 45% of the Economically Active Population (EAP). However, there is serious challenge in getting more people into employment opportunities.



Using the official unemployment definition, the unemployment rate is around 15%.

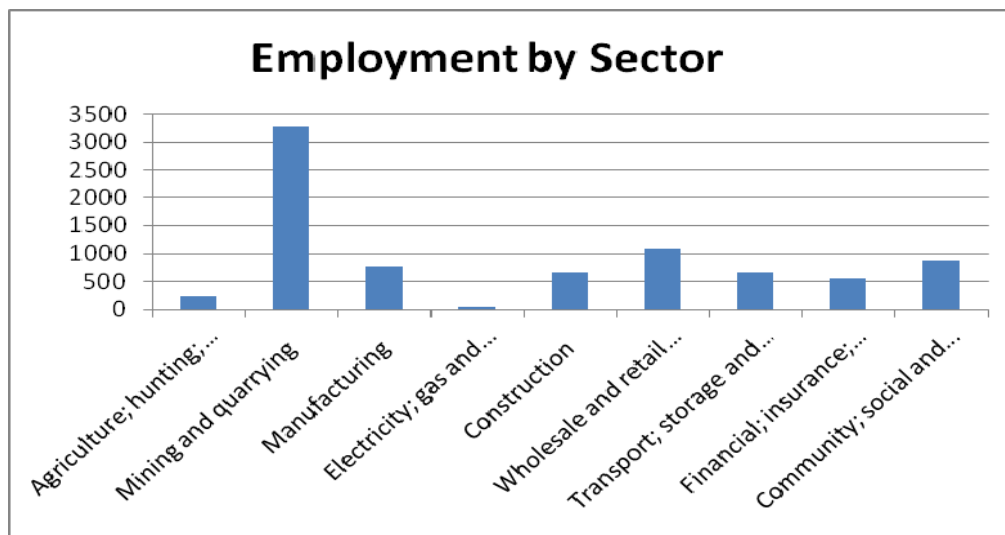


Source: 2001 and Community survey 2007

The number of employment increased by 36.93% from 2001 to 2007, however, the increased employment was off set by an increase in unemployment of 30.41% for the same period.

The not economically active increased slightly (2.68%) for the same period. Unemployment in 2007 was estimated at 26.10% in Gamagara. The increase in unemployment is a concern in the area even though unemployment is increasing, which needs to be addressed.

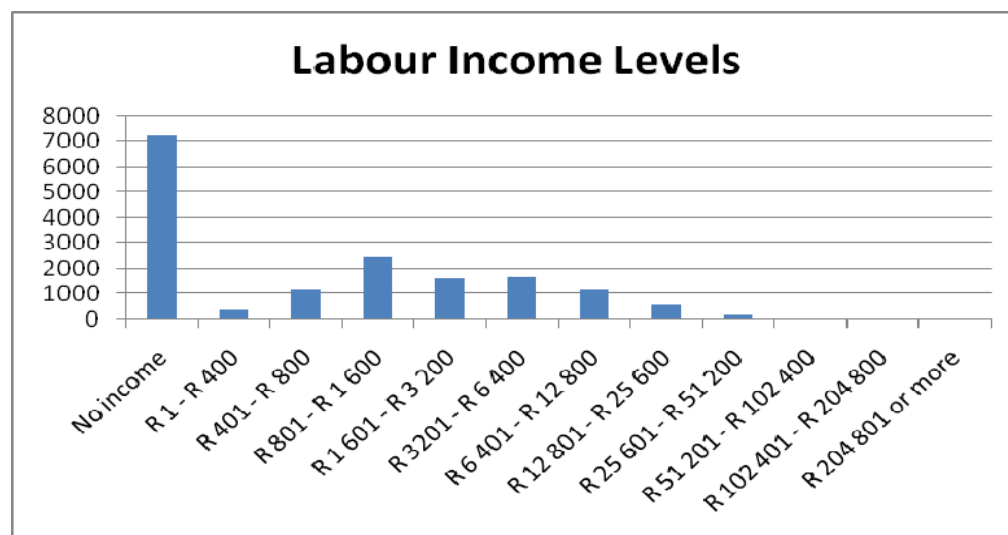
Figure 12: Employment Per Sector



Source: StatsSA, Community Survey 2007

The major employers in Gamagara are mining and quarrying (40.21%), followed by wholesale and retail (13.28%), and community services (10.78%). This indicates that the economy of Gamagara is highly dependent on mining and has a very small base.

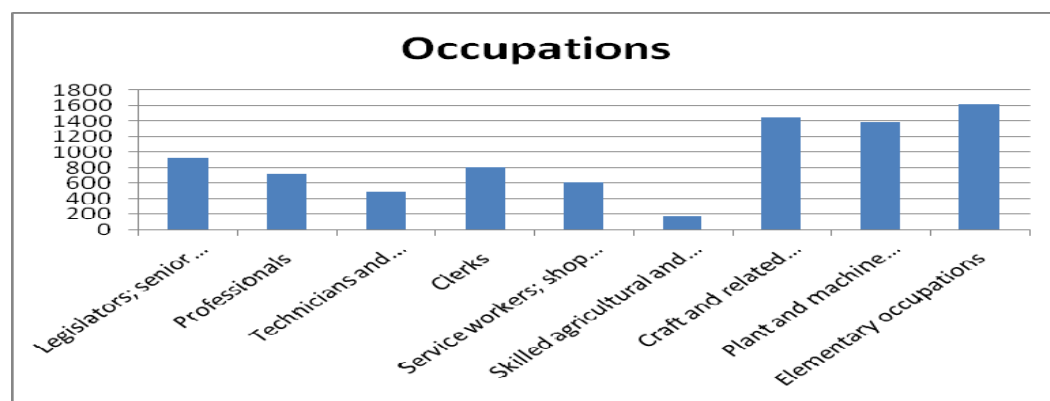
Figure 13: Labour Income



Source: StatsSA, Community Survey 2007

Majority of economically population earn no income in Gamagara (43.86%), and 34.73% earn below R 3,200 per month in Gamagara. The low income is indicative of high levels of poverty in the area.

Figure 14: Occupation



Source: StatsSA, Community Survey 2007

Occupation is the type of work a person does according to the South African Classification of Occupations to obtain an income irrespective of industry. The leading occupation profile in Gamagara are elementary (19.62%), followed by crafts (17.62%), and Plant and machinery (16.95%). There are a small number of professionals (8.90%) and technicians (5.93%).

The majority of the occupations require low skills and expertise, thus training and re-skilling will be critical.

**Footnote:** Subsequent to the 2007 community survey outcome, the municipality addressed all backlogs. However, illegal land occupations in early 2010 created the following backlogs in Olifantshoek: Water, Sanitation, Electricity and refuse removal for approximately 500 households/Informal dwellings

## 2.3 Constitutional mandate, powers and functions

1. The constitution of South Africa mandates local government to :
  - a) Provide democratic and accountable government for local communities
  - b) To ensure the provision of services to communities in a sustainable manner
  - c) To promote social and economic development
  - d) To promote a safe and healthy environment
  - e) To encourage the involvement of communities and organisations in the matters of local government

### Function, Definitions and Authorizations of GAMAGARA MUNICIPALITY (National Demarcation Board, 2006)

FUNCTION	DEFINITION	AUTHORIZATION
		Gamagara LM (NC453)
Air pollution	Any change in the quality of the air that adversely affects human health or well-being or the ecosystems useful to humankind, now or in the future.	Yes
Building regulations	<p>The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of jurisdiction of a municipality, which must at least provide for:</p> <ul style="list-style-type: none"> <li>▪ Approval of building plans,</li> <li>▪ Building inspections, and</li> <li>▪ Control of operations and enforcement of contraventions of building regulations if not already provided for in national and provincial legislation.</li> </ul>	Yes
Child care facilities	Facilities for early childhood care and development which fall outside the competence of national and provincial government.	Yes
Electricity reticulation	Bulk supply of electricity, which includes for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network, tariff policies, monitoring of the operation of the facilities for adherence to standards and registration requirements, and any other matter pertaining to the provision of electricity in the municipal areas.	Yes

Fire Fighting	<p>In relation to District Municipality “Fire fighting” means:</p> <ul style="list-style-type: none"> <li>▪ Planning, co-ordination and regulation of fire services;</li> <li>▪ Co-ordination of the standardization of infrastructure, vehicles, equipment and procedures; <ul style="list-style-type: none"> <li>▪ Training of fire officers.</li> </ul> </li> </ul> <p>In relation to Local Municipality “Fire fighting” means:</p> <ul style="list-style-type: none"> <li>▪ Any function not included in the definition applicable to a district municipality, including fighting and extinguishing of all fires;</li> <li>▪ The rescue and protection of any person, animal or property in emergency situations not covered by other legislation or powers and functions.</li> </ul>	Yes
Local tourism	The promotion, marketing and if applicable, the development, of any tourist attraction within the area of the municipality with a view to attract tourists; to ensure access, and municipal services to such attractions, and to regulate, structure and control the tourism industry in the municipal area subject to any provincial and national legislation, and without affecting the competencies of national/provincial government pertaining to “nature conservation”, “museums”, “libraries” and “provincial cultural matters”.	Yes
Municipal Planning	The compilation and implementation of an integrated development plan in terms of the Systems Act.	Yes
Environmental Health Services	<p>Subject to an arrangement with MECs to do the necessary authorizations, or alternatively, subject to amendments to the Structures Act, Municipal Health Service means environmental health services performed by a district municipality and includes:</p> <ul style="list-style-type: none"> <li>▪ Air pollution</li> <li>▪ Child care facilities</li> <li>▪ Control of public nuisances</li> <li>▪ Control of undertakings that sell liquor to the public</li> <li>▪ Facilities for the accommodation, care and burial of animals</li> <li>▪ Licensing and control of undertakings that sell food to the public <ul style="list-style-type: none"> <li>▪ Licensing of dogs</li> <li>▪ Markets</li> <li>▪ Municipal abattoirs</li> <li>▪ Noise pollution</li> <li>▪ Pounds</li> </ul> </li> </ul>	Yes
Storm water	The management of systems to deal with storm water in built-up areas.	Yes
Trading regulations	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by national and provincial legislation.	Yes



Water (Potable)	The establishment, operation, management and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution; bulk supply to local supply points, metering, tariffs setting and debt collection so as to ensure reliable supply of a quantity and quality of water to households, including informal households, to support life and personal hygiene and establishment, provision, operation, management, maintenance and regulation of a system, including infrastructure for the collection, removal disposal and/or purification of human excreta and domestic waste-water to ensure minimum standard of services necessary for safe hygienic households.	Yes
Sanitation	The establishment, provision, operation, management, maintenance and regulation of a system, including infrastructure for the collection, removal, disposal and/or purification of human excreta and domestic wastewater to ensure minimum standard of service.	Yes
Billboards and the display of advertisements in public places	The display of written or visual descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which: <ul style="list-style-type: none"> <li>Promotes the sale and/or encourages the use of goods and services found in: streets, roads, thoroughfares, sanitary passages, squares or open spaces and or, private property.</li> </ul>	Yes
Cemeteries, funeral parlours and crematoria	The establishment conduct and control of facilities for disposing of human and animal remains.	Yes
Cleansing	The cleaning of public streets, roads, and other public spaces either manually or mechanically.	Yes
Control of public nuisance	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community.	Yes
Control of undertakings that sell liquor to the public	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses, and includes an inspection service to monitor liquor outlets for compliance to license requirements in as far as such control and regulation are not covered by provincial legislation.	Yes

Facilities for the accommodation, care and burial of animals	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements and/or compliance with any environmental health standards and regulations.	Yes
Fencing and fences	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads.	Yes
Licensing of dogs	The control over the number and health status of dogs through a licensing mechanism.	Yes
Licensing and control of undertaking and sell food to the public	Ensuring the quality and the maintenance of environmental health standards through regulation, a licensing mechanism and monitoring of any place that renders in the course of any commercial transaction, the supply of refreshments or meals for consumption on or to be taken away from the premise at which such refreshments or meals are supplied. Implement policy and regulations.	Yes
Local amenities	The provision, manage, preserve and maintenance of any municipal place, land, and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest and the provision and control of any such or other facility for public use but excludes such places, land or buildings falling within competencies of national and provincial governments.	Yes
Local sport facilities	The provision, management and/or control of any sport facility within the municipal area.	Yes
Markets	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.	Yes
Municipal abattoirs	The establishment conduct and/or control of facilities for the slaughtering of livestock.	Yes
Municipal parks and recreation	The provision, management, control and maintenance of any land, gardens of facility set aside for recreation, sightseeing and/or tourism and include playgrounds but exclude sport facilities.	Yes

Municipal roads	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, or belonging to the road, and also, for purposes of a local municipality, includes a street in a build-up areas.	Yes
Noise pollution	The control and monitoring of any noise that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.	Yes
Pounds	The provision, management maintenance and control of any area or facility set aside by the municipality for the securing of any animal or object confiscated by the municipality in terms of its by laws.	Yes
Public places	The management, maintenance and control of any land or facility owned by the municipality for public use.	Yes
Refuse removal, refuse dumps and solid waste disposal	The removal of any household or other waste and the disposal of such waste in an area space or facility established for such purpose, and includes the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment for the inhabitants of a municipality.	Yes
Street trading	The control, regulation and monitoring of the selling of goods and services along a public pavement or road reserve.	Yes
Street lighting	The provision and maintenance of lighting for the illuminating of streets.	Yes
Traffic and parking	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.	Yes
Municipal public works	Any supporting infrastructure or service to empower a municipality to perform its function	Yes

**The municipality is performing all the functions assigned to it, except for fire fighting and emergency services and high voltage electricity which are done by Kumba, Sishen Iron Ore Mine on an agency basis through agreements.**

### 3. The Planning Process

Sections 28 of the Local Government: Municipal Systems Act, 2000 states that ...“each Municipal Council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.” The Gamagara Municipality with its seat in Kathu came into being on the 5<sup>th</sup> December 2000 in terms of the Municipal Systems Act of 2000. As in the case with all other Local Authorities, the Gamagara Municipality is obliged to conform to the requirement imposed by the Municipal Systems Act, 2000.

In order to ensure that the Integrated Development Planning process complies with the minimum required standards and that proper co-ordination between and within the spheres of government is established, the Municipal Systems Act, 2000, regulates the preparation of a Process Plan.

The Process Plan sets out to explain the process that will be undertaken in drafting an Integrated Development Plan (IDP). It includes arrangements which focus:

- (1) on the various role-players to be involved,
- (2) the nature of their respective roles,
- (3) the types of exercises to be undertaken during this process,
- (4) the timeframe within which this IDP needs to be completed (as prescribed by law) and
- (5) the expected outcomes of the process.

#### 3.1. Institutional Arrangements and Responsibilities

Although the IDP Planning Process assigns different roles to different spheres of government, the key responsibility of writing the IDP lies with the Municipalities. The District Municipality [John Taolo Gaetsewe District Municipality] has the responsibility of co-ordinating the IDP process planning within the district as a whole. The IDP Manager at the Gamagara Local Municipality has the administrative responsibility to set up all process arrangements for the local IDP, which in accordance with legislation is the final responsibility of the Municipal Manager as Accounting Officer of the Municipality.

The elected council is the ultimate decision-making forum on IDP's. The role of participatory democracy is to inform, negotiate and comment on those decisions, in the course of the planning process. The following structures are used during the compilation of the IDP:

- IDP representative forum
- IDP steering committee
- Project, programme and sectoral task teams
- The different portfolio Committees

The IDP steering committee and IDP representative forum are structures required throughout the IDP process. The project, programmes and sectoral task teams are small operational teams composed of a number of relevant municipal sector departments and technical officials involved in the management of the implementation and, where appropriate, community stakeholders directly affected by the project and programmes.

### 3.2 Public Participation Process

This IDP is carried out via a process of consultation and decision-making closely linked to the budgeting cycle.

Take note that the IDP Plan was advertised in the local newspapers for 21 days for public comment and subsequent to that, community meetings were held in every ward for people to comment on the budget and IDP for 2012/2013 budget year.

#### 3.2.1 The consultation process with the various communities within the municipality was carried out as summarized below:

Date	Community/Ward	Attendees
05/12/2011	Dibeng Community Hall (ward four )	117 People
07/12/2011	Ditloung Community Hall (ward two)	88 People
14/12/2011	Sesheng Community Hall (ward five )	84 People
17/01/2012	Dingleton Ward committee meeting(ward three)	7 members attended
	Kathu High School (ward one)	No Meeting took place

#### 3.2.2 NEEDS/ISSUES IDENTIFIED PER WARD/AREA DURING THE CONSULTATION PROCESSES

##### 05<sup>TH</sup> DECEMBER 2011- DIBENG IDT COMMUNITY HALL

1. Housing development
2. Developing of sites
3. High mast lights for new stands
4. Youth development programmes
5. Street names
6. Tshono Leather & Tannery
7. Ownership of soccer stadium
8. Illegal dumping of waste/ rubbish
9. Building of a community hall
10. Storm water drainage system

##### 07<sup>TH</sup> DECEMBER 2011 – DITLOUNG COMMUNITY HALL

1. Servicing of 300 plots
2. Asbestos Roofing
3. Paving of all gravel roads (labour intensive project)
4. Dissemination of information
5. Fencing around the O'hoek quarry
6. Completion of EPWP Road
7. Provision of water to 300 stands
8. LED programmes/projects
9. Youth Development Programmes
10. Upgrading and maintenance of roads
11. Provision of own water sources

12. Fencing along Upington road ( Small farmers)  
14<sup>TH</sup> DECEMBER 2011 – SESHENG MINE COMMUNITY HALL

1. Bursaries
2. Planning & surveying of residential sites/ Overcrowding
3. 24 hours clinic
4. Sewer spillage
5. Roads
6. Storm water drainage system
7. Building of speedhumps

17<sup>TH</sup> JANUARY 2012 – DINGLETON COMMUNITY HALL

1. Cleaning of cemeteries/Pavements
2. Cleaning of community hall
3. Speed humps- Troupand avenue
4. Roadsigns
5. Dingleton crossing- post office, car speeding
6. Poles for soccerfield
7. Open spaces- putting up of boards
8. Clinic under-staffing
9. Water- logged streets
10. Resealing of roads

### **3.2.3 Future considerations**

Due to the expansion of mining activities in the Gamagara municipal jurisdiction, there is a high need for basic and social infrastructure. Because the growth leads to increased job opportunities, the municipality has experienced a growth in migrant labour. Having no affordable accomodation to putting a strain on the infrastructure which was not build to accommodate high numbers.

This situaution calls upon the municipality, provoincial and national government to plan appropriately together to guard against any intended consequences from this growth. Key among the most pressing need is the upgrading of the existing infrsatructure, especially, sewerage system, water network, electrical capacity and roads. There is also a high need for affordable housing, rental stock and low cost housing.

Government has also launched the Sishen to Saldanha railway project (SIP 5- Strategic Infrastructure Project 5) This project will also change the town of Kathu and Gamagara Municipality in general forever. The Municipality's Planning should thus take into acount this sudden growth.

Lastly there are plans to establish an industrial park in Kathu. The aim of this initiative is to deliver the economy of the area, so that the town can still be sustainable when mining downscales. These prospects of growth should be harnessed for the benefit of all and should be used as tools for a modern human settlement development.

**1. VALUES**

**2. DEVELOPMENT OBJECTIVES**

**STRATEGY PHASE III**

## SECTION C: STRATEGY PHASE II

The goals and objectives of the municipality as in the Integrated Development Plan (IDP) have been aligned to the Performance Management System (PMS). Key Performance Areas and Development Objectives stated here are as it appears in the PMS.

### 1.Values:

***The value system of a municipality describes the relationship between people within the municipality as well as the relationship between the Municipality and its customers. This involves a description of all practices applied and the values placed on certain principles. The values endeavour to reflect the culture that prevails or should prevail in the municipality. Values are beliefs, commitments and principles that guide everyday decision-making, whether consciously or subconsciously. In a municipality with a firm set of values that are clearly communicated, well-understood and shared. People will be able to make sound decisions that are in line with what the municipality truly believes in. In light of the above-mentioned, the following value system has been adopted:***

- Driven by the aspirations of our people, we will respect and uphold the Constitution of the Republic of South Africa;
- We commit ourselves to the Code of Conduct for councillors and officials in accordance with the Municipal Systems Act, 2000;
- We commit ourselves to the principles of sound financial management;
- We subscribe to the principles of “ Batho Pele “ which can be summarised as follows:

The above-mentioned Vision, our Mission Statement and the Value System that have been adopted by this Municipality personify the general accepted motto of the Gamagara Municipality, which reads as follows:



# 1. PRIORITY ISSUES, GOALS AND OBJECTIVES

The following **priority issues, goals and objectives** were set at the beginning of the current IDP cycle and are the guiding elements in the process to determine the operational and service delivery dispensation of the municipality.

KPA	Development Issue	IDP Development Goal/Objectives
KPA 1: Basic service delivery and infrastructure investment	<b>1.Provision of basic services/Waste Management</b>  Provision of basic services through out the municipal area to cater for future and private development	To fast track the process of reaching the National targets related to water and sanitation  To provide quality water with the aim of gaining blue drop status  To provide safe & Environmental friendly waste water management  To provide free basic services to indigents  To develop a infrastructure investment plan for the whole municipality  To ensure management of landfillsites  To ensure refuse removal – vision 2014
	<b>2.Upgrading &amp; Maintenance of infrastructure</b>  The construction and upgrading of new and existing roads.	To develop a O&M Plan  To expand internal roads network to PDI's  To ensure integration of local & regional transport systems

	<p><b>3.Human settlements &amp; Land development</b></p> <p>The provision of houses in the Municipality becomes more of a priority for the various Communities.</p>	<p>To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements</p> <p>To ensure building of proper houses through National and Provincial housing scheme</p> <p>To ensure ordained building activities as prescribed by building regulations</p> <p>To fast track the facilitation of rental housing</p> <p>To ensure provision of housing for relocation of Dingleton.</p> <p>To develop and implement a land policy to the maximum benefit of HDI'S</p> <p>To ensure the optimal usage of land</p> <p>To negotiate with Kumba for provision of suitable land</p> <p>To ensure proper planning and surveying of all suitable land according to need of communities</p>
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<p><b>KPA2:Local Economic Development</b></p>	<p><b>4.Local Economic Development &amp; Jobcreation</b></p> <p>To promote economic growth of the area through LED, mining, agriculture and other related economic potentials. Also focussing on creating an environment for economic growth for investors to invest. The cross-cutting nature of the LED Issues should be catered for and more focus on infrastructure, which contribute to LED.</p>	<p>To improve institutional capacity for LED</p> <p>To create an enabling environment for LED in the Municipality</p> <p>To oversee the establishment of economic sector forums</p> <p>To stimulate tourism in the Municipal area.</p> <p>To facilitate the creation of jobs / employment opportunities in the district.</p> <p>To develop an incentive policy for investors in the Municipal area</p>
<p><b>KPA 3: Municipal Financial viability and management</b></p>	<p><b>10. Administrative and financial viability :</b></p> <p>This issue considers improved local governance in the municipality over a 5 year period. It will consider aspects like financial viability (revenue raising strategies and good financial systems)</p>	<p>To compile the annual budget according to the MFMA and relevant legislation</p> <p>To ensure full implementation of the Property Rates Act</p> <p>To improve the financial systems to accommodate the reporting requirements of government</p> <p>To ensure IDP, SDBIP, &amp; Budget alignment</p> <p>To measure financial viability as expressed in the ratios prescribed in the Planning and Performance Management Regulations, 2001</p> <p>To ensure the effective and transparent conducting of internal audit processes by ensuring a Clean Audit for 2012/13</p>

<b>KPA 4: Municipal Transformation and Institutional Development</b>	<b>5. Transversal groups &amp; Youth development</b>  <b>9. Skills development</b>	<p>To attract and retain retain scarce skills</p> <p>To review &amp; implement the Employment Equity Plan</p> <p>To train and develop employees in accordance with the Workplace Skills Plan</p> <p>To maintain sound labour relations</p> <p>To Review and implement a proper HR Strategy</p> <p>To comply with basic conditions of employment</p> <p>To review organogram annually</p>
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<p><b>KPA 5: Good governance and community participation</b></p>	<p><b>6. Recreational, sports, arts &amp; culture</b></p> <p><b>7. Community Safety</b></p> <p><b>8. Good governance</b></p>	<p>To ensure effective integrated development planning and performance management in the municipality</p> <p>To review the Risk Assessment document and implementation there off.</p> <p>To develop and implement the communication strategy</p> <p>To ensure and promote the participation of ward committee in enhancing LG</p> <p>To improve and maintain an ICT system</p> <p>To review and promulgate by-laws</p> <p>To provide and maintain effective administrative systems</p> <p>To oversee the implementation of the DGDS</p> <p>To strengthen accountability</p> <p>To ensure public safety become a standing item on council agenda and ensuring community participation in Community safety forums</p>
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- 1. SERVICE DELIVERY TARGETS**
- 2. DESIGNED PROJECTS**
  - ISSUE 1: PROVISION OF BASIC SERVICES (WASTE MANAGEMENT)**
  - ISSUE 2: UPGRADING AND MAINTENANCE OF INFRASTRUCTURE**
  - ISSUE 3: HUMAN SETTLEMENTS AND LAND DEVELOPMENT**
  - ISSUE 4: LOCAL ECONOMIC DEVELOPMENT**
  - ISSUE 5: TRANSVERSAL GROUPS AND YOUTH DEVELOPMENT**
  - ISSUE 6: RECREATIONAL, SPORT, ARTS AND CULTURE**
  - ISSUE 7: COMMUNITY SAFETY**
  - ISSUE 8: GOOD GOVERNANCE**
  - ISSUE 9: SKILLS DEVELOPMENT**
  - ISSUE 10: ADMINISTRATIVE AND FINANCIAL VIABILITY**
- 3. KEY INITIATIVES IMPACTING ON THE IDP**
  - 3.1. OVERALL OBJECTIVES OF THE DGDS AND OUTCOMES**
  - 3.2. OUTCOMES**
  - 3.3. ACCELERATED AND SHARED GROWTH INITIATIVES FOR SOUTH AFRICA (ASGISA)**
  - 3.4. NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)**
  - 3.5. NATIONAL AND PROVINCIAL TARGETS AND OBJECTIVES CONTAINED IN VISION 2014**
- 4. CURRENT SITUATION**
  - 4.1. GEOGRAPHICAL PROFILE**
  - 4.2. DEMOGRAPHIC AND SOCIO ECONOMIC INFORMATION**
  - 4.3. KATHU FOREST DECLARED PROTECTED WOODLANDS**

## **PROJECT PHASE III**

## SECTION D: PROJECT PHASE III

### SERVICE DELIVERY TARGETS, MUNICIPAL INFRASTRUCTURE GRANT AND THE EXPANDED PUBLIC WORKS PROGRAMME

#### 1. Service Delivery Targets

The Municipality agrees on the following targets:

<b>The overall, high level Service Delivery Targets</b>	<b>Taking cognisance of the national and provincial targets and objectives as contained in Vision of 2014 and taken up in the District Growth and Development Strategy. The Municipality commits itself to break these targets down into more tangeable and measurable targets within its own capacity, authority and functions as set out in the Constitution in the plan, which reflects in the document.</b>
<b>Backlogs (Sanitation)</b>	<b>To address all backlogs according to RDP Stanadards by 2010</b>
<b>Energy</b>	<b>Electrified all houses in the Municipality that needs electricity within this 5 years with priority focus on the areas with backlogs, but this target changes annually pending on the migration patterns of the population, and new sites being developed as well as expantion of Kumba mine and Newly developed mine (Khumani Mine)</b>
<b>Refuse Removal (Solid waste)</b>	<b>100% collection to all households in the Municipality with focus on the newly developed areas within this next 5 years.</b>
<b>Water and Sanitation</b>	<b>Provide water and sanitation at schools as well as areas not covered within the next 5 years</b>
	<b>Provide water and sanitation at the new clinic build in Dibeng community</b>
	<b>Provide water supply to all households within it's yards with specific focus on Olifantshoek and Sesheng by 2010</b>
	<b>Provide sanitation to all households bettere than RDP Standard ( low flush system) by 2010</b>
<b>Housing</b>	<b>Upgrade all informal housing settlements through the provision of proper housing by 2014</b>

2. This section indicates the *prioritised projects for the financial year 2012/13* approved by Council to enhance the objectives indicated in the sections above.

The total amount for capital projects for this financial year is as follows:**R137,468,000**

The total operational expenditure for this financial year is as follows:**R190,435,000**

# **KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT**

## **ISSUE 1: BASIC INFRASTRUCTURE DEVELOPMENT**

Project No.	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012/13	2013/14	2014/15	2015/16	2016/17	
PB2012/1	Upgrading bulk electricity supply	Improve access to Electricity	O'hoek	R1,900,000	Ro	Ro	Ro	Ro	INEP
PB2012/2	Bulk Supply ELectricity	Improve access to Electricity	Kathu West	Ro	Ro	Ro	R3,000,000	Ro	Internal funds
PB2012/3	20 Mva bulk capacity upgrade	Improve access to Electricity	Kathu East	Ro	Ro	Ro	R3,000,000	R3,000,000	Internal funds
PB2012/4	Construction of substation	Improve electricity capacity	Kathu West	Ro	Ro	Ro	R30,000,000	Ro	Internal Funds
PB2012/5	Fire protection system	Protection of electrical equipment	Kathu	R670,000	Ro	Ro	Ro	Ro	Internal funds
PB2012/6	Construction of a new library (MPCC- Phase 2 )	Improve access to libraries	Sesheng	R3,887,400	Ro	Ro	Ro	Ro	DSAC
PB2012/7	Refurbishment of multipurpose centre/offices Phase 1	Ensuring one stop services	Sesheng	R1,200,000	Ro	Ro	Ro	Ro	Internal funds
PB2012/8	Construction of multi-purpose centre	Ensuring one stop services	Sesheng	Ro	R13,731,300	Ro	Ro	Ro	GDF
PB2012/9	Upgrading of testing station		Kathu	R5,000,000	R5,000,000	Ro	Ro	Ro	Internal funds



PB2012/10	Upgrading of Swimming pool		Khai-apple	R105,000	Ro	Ro	Ro	Ro	Internal funds
PB2012/11	Community hall phase 1		Diepkloof	R3,733,879	Ro	Ro	Ro	Ro	GDF
PB2012/12	Lampoles replacement		Ward 1,3,4,5	R100,000	R100,000	R100,000	Ro	Ro	Internal funds
PB2012/13	Renovation/Mainbuilding	Roofing	Kathu	R1,000,000	Ro	Ro	Ro	Ro	Internal funds
PB2012/14	Erection of New sports facility	Sports development	Sesheng	R1,000,000	R2,000,000	R1,750,000	R500,000	Ro	Khumani SLP
PB2012/15	Renovation/Upgrading of workshop- Technical dept	Electrification of workshop	Kathu	R100,000	Ro	Ro	Ro	Ro	Internal funds
PB2012/16	Construction of Multi-purpose centre	Ensuring one stop services	Dibeng	R13,355,664	Ro	Ro	Ro	Ro	GDF
PB2012/17	Upgrading of debt collection office		Kathu	R200,000	R200,000	Ro	Ro	Ro	Internal funds
PB2012/18	Upgrading of Sewerpump station	Improve sewer infrastructure	Kathu	R2,500,000	Ro	Ro	Ro	Ro	DWA/ ACIP
PB2012/19	Construction of Sports complex	Complete phase 1	Ditloun	R11,620,612	Ro	Ro	Ro	Ro	GDF
PB2012/20	Construction of Library	Library services	Skerpdraai	Ro	R3,500,000	Ro	Ro	Ro	GDF
PB2012/21	Upgrading of 100kva Electrical supply	Upgrading electrical capacity	Industrial area	R2,002,000	Ro	Ro	Ro	Ro	Khumani SLP

# ISSUE 1:

## Water & Sanitation: Households has access to clean, quality drinking water and proper sanitation facilities

IDP Goal/Objective	Key Performance Indicator	Backlogs	Base-line	Key Performance Target			
				2011/12	2012/13	2013/14	2014/15
To provide water services to all residents	No. of households with access to water services	O'hoek: app. 500(Informal settlement) households	Informal settlement: o Skerpdraai: Diepkloof	Households provided with water services	483Households in Dibeng to be provided with waterborne sewer system  Water: 392 (o'hoek) Bussinessplan to be developed for submission to MIG	442 Households  Dibeng: 1000  3000 New Sites to be planned and surveyed	409 Households  Sesheng:1000  O'hoek:1000
To provide free basic services to all registered indigents	Registration of indigents for access to free basic services	100%		100%	100%	100%	100%
	Reviewing of indigent policy annually	1		Reviewed annually	Reviewed annually	Reviewed annually	Reviewed annually

**ISSUE 1: Water & Sanitation Project List**

PROJECT NR	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012/13	2013/14	2014/15	2015/16	2016/17	
PWS2012/1	Provision of water services 92 Stands	Provide water services to residential Stands	O'hoek	R2,280,000	R2,250,000	Ro	Ro	Ro	Khumani SLP
PWS2012/2	Provision of water services	Provide water services for future developed stands	Sesheng-1200	Ro	Ro	Ro	R10,000,000	R10,000,000	
PWS2012/3	Provision of water services	Provide water services for future developed stands	Dibeng-1300	R4,500,000	R7,500,000	R3,500,000	R250,000	Ro	Khumani SLP
PWS2012/4	Provision of water services to informal settlement	Provide temporary services to 350 stands	O'hoek-350	R2,250,000 R 800,000	Ro	Ro	R10,000,000	Ro	Khumani Internal funds
PWS2012/5	Upgrading of Waste Water Treatment Works (Phase1,2&3)	Water Treatment Works/Storage	Kathu	R10,000,000 Phase1	R15,000,000 R27,000,000 Phase2	R68,000,000 Phase3	Ro	Ro	RBIG Internal funds
PWS2012/6	Construction of reservoir planning	Improve Storage Capacity	O'hoek	R200,000	R7,500,000	R7,500,000	Ro	Ro	Internal Funds
PWS2012/7	Construction of Sewer network Phase1	Improve sewer infrastructure	Dibeng	R16,000,000	R9,000,000	R9,936,000	Ro	Ro	MIG

PWS2012/8	Replacement of existing asbestos pipes	Improve access to basic water	Sesheng	R500,000	Ro	Ro	Ro	Ro	Internal funds
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## ISSUE 2:

**Roads & Streets: The municipality has poor road conditions within its areas and poor access and usage of public transport facilities**

IDP Goal/Objective	Key Performance Indicator	Backlogs	Base-line	Key Performance Target			
				2012/13	2013/14	2014/15	2015/16
Upgrade all gravel roads in Gamagara	92 Km of gravel roads upgraded	92km Gravel roads	O'hoek:34km Dibeng:34km Sesheng:24km	5km	5km	5km	5km
Provide sufficient and increasing the availability of public transport	Number of public transport facilities			0	1	0	1/annum

### ISSUE 2: Roads & Streets Project List

PROJECT NR	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012-13	2013-14	2014-15	2015-16	2016-17	
PRS2012/1	Resealing of roads	Hendrick v. Eck & Frikkie Meyer rd.	Kathu	R1,000,000	R1,000,000	R0	R0	R0	Internal funds
PRS2012/2	Roads & stormwater		Sesheng	R5,000,000	R500,000	R1,000,000	R1,000,000	R750,000	Kumba/Khumani SLP
PRS2012/3	Construction of roads		Dibeng	R2,700,000 R1,000,000 R1,000,000	R1,500,000	R1,000,000	R1,000,000	R750,000	Khumani Burk Mining EPWP

PRS2012/4	Roads & stormwater	Stormwater upgrading	O'hoek	R5,000,000	R500,000	R2,000,000	R500,000	R1,000,000	Kumba/Khumani SLP
PRS2012/5	Surfacing of 500 M road	Paving of Rietbok street	Kathu	R1,000,000	R0	R0	R0	R0	Internal funds
PRS2012/6	Speedhumps	Identify all dangerous Areas	Ward 1 – 5	R500,000	R0	R0	R0	R0	Internal funds
PRS2012/7	Resealing of roads	Identify all critical areas	Dingleton	R1,500,000					Khumani SLP

**ISSUE 3:**

**Housing: Is a huge backlog due to poor socio economic conditions of residents of Dibeng, Olifantsoek and the expansion of mines has exacerbated the situation in Sesheng**

IDP Goal/Objective	Key Performance Indicator	backlog	Base-line	Key Performance Target			
				2011/12	2012/13	2013/14	2014/15
Provision of housing	No of completed houses and rental stock	Total housing need: 2995  Sesheng:389  Dibeng:710  Kathu:1000  Olifantshoek: 896	604	100 Subsidy houses for Dibeng  100 subsidy Houses Sesheng	Subsidy Houses Sesheng  Subsidy Houses Dibeng  Subsidy Houses O'hoek  200 Rental Stock Kathu	100 Subsidy Houses Sesheng	90 Houses to been built

**ISSUE 3: HUMAN SETTLEMENTS AND LAND DEVELOPMENT**

Project No.	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012/13	2013/14	2014/15	2015/16	2016/17	
PH 2012/1	Provision of 100 RDP houses	Building of 100 houses	Sesheng	R6.143,000	Ro	Ro	Ro	Ro	COGHSTA
PH2012/2	Provision of 100 RDP houses	Building of 100 houses	Ward 1-5	R9,686,920	Ro	Ro	Ro	Ro	GDF
PH2012/3	Refurbishment of 109 houses	Remove asbestos roofing	O'hoek	R12,892,500	Ro	Ro	Ro	Ro	GDF

PH2011/4	Provision of 5 council houses	Building of 5 council houses	Kathu	R3,000,000	R1,500,000	R1,500,000	Ro	Ro	Internal funds
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### **ISSUE 3: LAND DEVELOPMENT**

**To ensure optimum usage of land and to promote economic growth as well as land reform for sustainable development**

IDP Goal/Objective	Key Performance Indicator	backlog	Base-line	Key Performance Target			
				2012/13	2013/14	2014/15	2015/16
To provide & regulate land for residential, business and industrial development	Implementation of the SDF  Land inventory dispose		23 residential  Bussiness	According to the targets in the SDF	15 residential Kathu  1 O'hoek  2 Kathu  10 Industrial Kathu		

#### **ISSUE 3: Land Development Project List**

Project No.	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012/13	2013/14	2014/15	2015/16	2016/17	
PL2012/1	Planning of residential stands	Planning of stands	All wards	R1,000,000	R1,000,000	R1,000,000	Ro	Ro	Internal funds
PL2012/2	Surveying & registration of residential stands	Surveying 1600 stands	Sesheng	R625,000	R625,000	R625,000	Ro	Ro	Internal funds
PL2012/3	Surveying & registration of residential stands	Surveying 1000 stands	O'hoek/Dibeng	R625,000	R625,000	R625,000	Ro	Ro	Internal funds
PL2012/4	Surveying & registration of residential stands	Surveying 500 stands	Kathu	R625,000	R625,000	R625,000	Ro	Ro	Internal funds

## KPA 2: LOCAL ECONOMIC DEVELOPEMNT

### ISSUE 4:

**Local Economic Development: To ensure the utilisation of the economic potentials to the benefit of the broader communities**

IDP Goal/Objective	Key Performance Indicator	Base-line	Key Performance Target			
			2012/13	2013/14	2014/15	2015/16
To review the LED strategy in line with the new National LED Framework	Compile and approve strategy	Was developed and approved			1	Reviewed annually
To improve institutional capacity for LED	Number of employees in LED section	1	3	4	6	0
To oversee the establishment of sector forums	Number of LED Forum meetings convened	1	0	0	1 LED forum	4 meetings to be held
To facilitate creation of jobs/employment opportunities in Municipality	Number of jobs created through LED projects	150Temp jobs/46 permanent	150 Temp jobs/51 permanent	250 Temp jobs/30 permanent	350 Temp jobs/30 Permanent	400Temp jobs/188 Permanent
To facilitate the establishment of a tourism centre/Heritage site	Esure establishment of tourism cenrte/ Heritage sute			1	1	
Expand the support of the agricultural sector	Assisting emerging farmers with subdivision of camps	0	1	2	2	0
Promote mining beneficiation	Ensure beneficiation	1	0	1	2	

**ISSUE 4: Local Economic Development Project List**

PROJECT NR	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012-13	2013-14	2014-15	2015-16	2016-17	
PLE2012/1	Water & Fencing of commonage land (EPWP)	Empowering of emerging farmers	O'hoek	R450,000	R450,000	R450,000	Ro	Ro	Internal funds
PLE2012/2	Upgrading of Khai – apple	Fasttracking tourism potentials	Kathu	R3,000,000	R5,000,000	R2,750,000	R500,000	Ro	Khumani SLP
PLE2012/3	Erection of trading facilities	SMME Develoment	Kathu	R100,000	R1,500,000	Ro	Ro	Ro	Internal funds Khumani SLP
PLE2012/4	Brickmaking Factory	1. Jobcreation 2. Skills development 3.Community ownership	Kathu	R10,020,000	R4,241,038	Ro	Ro	Ro	Khumani SLP
PLE2012/5	Coffin making Project	1. Jobcreation 2. Skills development 3.Community ownership	Dibeng	R4,020,000	R2,800,000	Ro	Ro	Ro	Khumani SLP
PLE2012/6	Poultry Farm	1. Jobcreation 2. Skills development	Dibeng	R300,000	Ro	Ro	Ro	Ro	GDF

		3.Community ownership		R350,000	Ro	Ro	Ro	Ro	Khumani Mine
PLE2012/7	Gamagara Integrated Cleaning Enterprise	1. Jobcreation 2. Empowerment	O'hoek	R1,500,000	R250,000	Ro	Ro	Ro	Khumani SLP
PLE2012/8	Tshono Leather Tannery	1. Jobcreation	Dibeng	Ro	R3,000,000				
PLE2012/9	Stone ART	1.Jobcreation 2.Empowerment	Kathu	R3,000,000	R550,000	R500,000	Ro	Ro	Khumani SLP
PLE2012/10	Bussines development	1. Empowerment 2. Skills development	Kathu	R4,708,000	R3,500,000	R750,000	R750,000	R250,000	Khumani SLP

# KPA<sub>3</sub>:MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

## **ISSUE 10:**

The promotion and maintenance of a financially viable municipality

IDP Goal/Objective	Key Performance Indicator	Base-line	Key Performance Target			
			2011/12	2012/13	2013/14	2014/15
<b>Establishment of Internal audit unit and audit committee</b>	<b>Established and functional Internal audit unit and audit committee</b>	<b>Shared service district level</b>				
To perform proper internal auditing system annually	Number of audits for the Municipality	4	4	4	4	4
To compile the annual budget according to the MFMA and relevant legislation	Fully funded IDP	1	1	1	1	1
To ensure full implementation of the Property Rates Act	Valuation roll	1	1	1	1	1

To improve the financial system to accommodate the reporting requirements of government	Availability of financial data in the required format	12	12	12	12	12
	Quarterly SCM report	4	1	1	1	1
	Number of reports regarding withdraws from the municipal account submitted	12	12	12	12	12
To measure financial viability as expressed in the ratios prescribed in the Planning and Performance Management Regulations, 2001	Debt coverage ratio	12	12	12	12	12
	Outstanding service debtors to revenue ratio	12	12	12	12	12
	Cost coverage ratio	12	12	12	12	12

## KPA 5:MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

### **ISSUE 5:**

**Youth Development: To ensure participation of young people in the mainstream of the economy and development of skills.**

IDP Goal/Objective	Key Performance Indicator	Base-line	Key Performance Target			
			2012/13	2013/14	2014/15	2015/16
To facilitate and support youth development	Develop a youth empowerment strategy	National Youth Development Framework Policy	Draft policy	Annually Reviewed	Annually reviewed	Annual review
	Skills development: Stone Art Basic Computer Horse Riding Bursary Project	Learner License: 31 passed & 1 failed	5 250 10 5		Provision of bursaries for 8 local students	1.Computer training 2.Bursaries/10 Annually
	SMME Development	2 Carwash Projects: 1 Kathu 1 O'hoek	1	1 Car wash project	1 Car wash project	1. Cultural group 2. Recycling 3. Hairsaloon 4. Carwash project

	Sports development programmes	Revive and empower Gamagara Sports Council	1	1	1	1. Capacity Building 2. Mayoral Games 3. SAMSRA Games for Employees
	Youth advisory centres	Planning & construction of youth development centre (2012/13)	1 Youth development Satellites- O'hoek, Dibeng	Satellite stations- Dingleton & Kathu	0	0

#### ISSUE 5: YOUTH DEVELOPMENT PROGRAMME

PROJECT NR	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012-13	2013-14	2014-15	2015-16	2016-17	
PYD2012/1	Construction of youth development centre	Promoting youth development	Kathu	R1,750,000	R1,750,000	R1,750,000	R1,250,000	Ro	Khumani SLP
PYD2012/2	Youth Advisory centre		O'hoek	R3,408,362.80	Ro	Ro			GDF
PYD2012/3	Bursaries for Gamagara Students		Municipality	R750,000	R1,250,000	R1,500,000	R1,500,000	R1,500,000	Khumani SLP



**ISSUE 9:**

**Skills Development: To ensure participation of young people in the mainstream of the economy and development of skills.**

IDP Goal/Objective	Key Performance Indicator	Base-line	Key Performance Target			
			2012/13	2013/14	2014/15	2015/16
To attract and retain staff	Number of staff members on the staff establishment	43 vacancies	Fill all budgeted vacancies	Fill all budgeted vacancies	Fill all budgeted vacancies	Fill all budgeted vacancies
	Implemented Organogram  Recruit new staff members as per need of municipality	1	1	1	Reviewed annually	Reviewed annually
To review & implement the Employment Equity Plan	75% representivity according to EEP	Employment equity plan adopted	Implementation	Plan outdated	Draft Reviewed Equity plan	Submit for approval to council
To train and develop employees in accordance with the Workplace Skills Plan	Number of employees trained in accordance with the Skills Development Plan targets	10% training to employees/annum	Train all employees if possible	Assesment on targets	Ongoing training	Assesment on targets met
To maintain sound labour relations	Number of reported labour disputes resolved		Reduce the rate of grievances by 50%	Ongoing	Assess the reduction of grievances	Develope a good working relation with union reps

**ISSUE 6:**

**Health & Environmental: Ensuring a healthy environment to communities as prescribed in NEMA Regulations**

IDP Goal/Objective	Key Performance Indicator	Base-line	Key Performance Target			
			2011/12	2012/13	2013/14	2014/15
To provide an integrated and co-ordinated disaster management policy that focus on prevention or reducing the risk of disasters	Developed and adopted Disaster Management plan and Framework for the Municipality	District Integrated Disaster Management Framework	1	Development of Disaster management plan and framework	Implementation of the approved plan	Review and implement plan annually
	Annual risk assessments	1	1	1	1	1
	No of risk reduction	7 Disaster incidents	Electrification of Sesheng  Install fire protection surge at substations	Reduce disaster incidents by 50%	Reduce potential disaster incidents by 50%	Reduce potential disaster incidents by 50%
	Response time	Approved Operational Plan	Response time according to targets in OP	Response time according to targets in OP	Response time according to targets in OP	Response time according to targets in OP
	Establish a functional disaster and fire unit	No functional disaster and fire unit	Finalize a section 78 assessment	Functional disaster and fire unit	Functional disaster and fire unit	Functional disaster and fire unit

**ISSUE 6: Environmental and Cleansing Project List**

PROJECT NR	PROJECT DESCRIPTION	PROJECT OUTCOME	LOCATION	FINANCIAL YEAR					Source of funding
				2012-13	2013-14	2014-15	2015-16	2016-17	
PEC2012/1	Establishment of new landfill site(Phase 1)	Planning, feasibility study(E.I.A) & construction	Kathu	R3,000,000	R1,000,000	R1,000,000	Ro	Ro	Internal Funds
PEC2012/2	Formalisation of landfill site	Permitting/licensing of landfill site	Dibeng	R500,000	R1,000,000	R1,000,000	Ro	Ro	Internal Funds
PEC2012/3	Formalisation of landfill site	Fencing of landfill site	O'hoek	R700,000	R300,000	Ro	Ro	Ro	Internal Funds
PEC2012/4	Upgrading of park,	Completion of phase 2	Slovo park	R400,000	Ro	Ro	Ro	Ro	Internal Funds
PEC2012/5	Upgrading of park	Continue with phase 3	Kathu	Ro	R5,250,000	R3,500,000	R500,000	Ro	Khumani SLP

## KPA 4: GOOD GOVERNANCE AND COMMUNITY PUBLIC PARTICIPATION

### **ISSUE 7:**

**To ensure maximum public participation and develop a communication strategy to incorporate all clients in the area to ensure proper service delivery**

IDP Goal/Objective	Key Performance Indicator	Base-line	Key Performance Target			
			2012/13	2013/14	2014/15	2015/16
To ensure effective integrated development planning and performance management in the municipality	IDP (Reviewed and approved)	1	1	1	1	1
	Organizational PMS system	1	1	1	1	1
	Individual performance management system	0	4	4	4	4

To review the Risk Assessment document	Annual review	1	1	1	1	1
	Shared Risk Assessment Unit	1	1			1
To develop a proper communication strategy	Draft Communication Strategy	Adopted communication strategy	Review and implementation of the communication strategy	Review and implementation of the communication strategy	Review and implementation of the communication strategy	Review and implementation of the communication strategy
To ensure and promote the participation of ward committee in enhancing LG	Number of meetings held/annum	8	12 /ward	12 /ward	12 /ward	12 /ward
To improve and maintain an ICT system	Functional ICT system	Monthly maintenance Reports (12)	12 Monthly maintenance reports	12 Monthly maintenance reports	12 Monthly maintenance reports	12 Monthly maintenance reports
To review , integrate and promulgate by-laws	Municipal code ("list of by-laws")	Separate by-laws for individual towns	Gazetted municipal code	Gazetted municipal code	Ongoing Review	Ongoing Review
To strengthen accountability	Approved oversight report on the Annual Report	No oversight report	1	1	1	1

#### **4. Key initiatives affecting the IDP**

##### **4.1 Overall objectives of the DGDS and outcomes**

- ❖ Develop a shared analysis of all sectors in the District Municipality
- ❖ Develop a shared socio- economic vision
- ❖ Identify priority interventions and critical strategies
- ❖ Build institutional base for multi- stakeholder co-operation and action

##### **4.2 Outcomes**

- ❖ Foster partnerships among various stakeholders
- ❖ Identify specific intervention programmes and projects to address growth and development challenges in the municipality
- ❖ Improve both PGDS and IDP's through application of the NSDP and localization of ASGI-SA.
- ❖ Secure commitments from social partners, including sector departments for execution of identified programmes and projects
- ❖ Establish partnerships or regional growth coalitions for self- monitoring and evaluating progress
- ❖ Serve as a consultative mechanism in the municipality's process of developing credible and implementable IDP's and LED Programmes.

##### **4.3 Accelerated and Shared Growth Initiative for South Africa (ASGI-SA)**

National growth targets (4.5 % in 2005- 2009)  
And (6% in 2010- 2014)  
Develop a balanced economic growth  
Recognize and appreciate binding socio economic constraints  
Intervention programmes or initiatives to deal with identified constraints.

##### **4.4 National Spatial Development Perspective**

<b>Policy Assumptions</b>	<b>Action Been Taken By DGDS</b>
❖ <b>Grow areas with economic potential</b>	❖ <b>Identify economic sectors within the municipality that have growth potential</b>
❖ <b>Develop people in low economic potential areas</b>	❖ <b>Identify low economic potential areas</b> ❖ <b>Identify skills to be developed to respond to economic opportunities in the municipality</b>
❖ <b>Provide basic services to the poor</b>	❖ <b>Locate people living in poor areas within the municipality</b> ❖ <b>Prioritize poor areas in providing basic services- infrastructure</b>

**4.5. As a Municipality we remain committed to National and Provincial targets and objectives as contained in Vision 2014, namely:**

- 4.5.1 Maintain an average provincial annual economic growth rate of between 4% - 6%;
- 4.5.2 Halve the unemployment rate by 2014;
- 4.5.3 Reduce the number of households living in absolute poverty by 5% per annum;

- 4.5.4 Improve the literacy rate by 50% by 2014;
- 4.5.5 Reduce infant mortality by two thirds by 2014
- 4.5.6 Reduce maternal mortality by two thirds by 2014
- 4.5.7 Provide shelter for all by 2014;
- 4.5.8 Provide clean water to all in the district by 2008
- 4.5.9 Reduce crime by 10% by 2014
- 4.5.10 stabilizes the prevalence rate of HIV and AIDS and begins the reverse by 2014
- 4.5.11 Redistribute 30% of productive agricultural land to HDIs by 2015
- 4.5.12 Conserve and protect 6.5% of our valuable biodiversity by 2014 and
- 4.5.13 Provide adequate infrastructure for economic growth and development by 2014

## **5. Current Situation**

### **Current reality: Basic facts and figures**

#### **5.1 Geographic Profile**

Gamagara Municipality is located in the North Eastern sector of the Northern Cape, on the N14 National Road between Upington and Vryburg. It lies approximately 200km North East of Upington and 280km North West of Kimberley.

Kathu is the main town in the municipality and the Central Business District (CBD) is located here. The Gamagara municipal area owns an endemic camel-thorn tree forest, which enjoys a National Heritage status and gave Kathu its name of "Town under the Trees". The area boasts with the largest single pit open cast iron ore mine in the world and is the starting point of the Sishen-Saldanha railway line. Kathu is also home to one of the most attractive golf courses in the country. The other three towns in Gamagara Municipality are Sesheng, just outside Kathu, and Dingleton and Dibeng, as well as Olifantshoek with the inclusion of two farms namely Hartley and Cox

#### **5.2 Demographic and Socio-economic information**

With the expansion of Kumba Sishen Iron Ore Mine and the establishment of the new Khomani Mine put a challenge on the Municipality, which led, to the population growth, for example Sesheng, which will lead to the following social problems, increase in the crime rate, incapacity of the existing basic infrastructure, growth of informal settlements.

Other private developments in the Municipality such as, Andre Markgraaff Development, Assmang housing development, Kumba housing and Business development, Infrastructure development in Kathu eg. Upgrading of bulk services, Assmang Khomani Mine developments, SEP housing project as well as Bestwood development and Rooisand development.

The possible relocation of Dingleton.

All the developments that reflect in the IDP were done according to the 2007 census survey information.

### 5.3 Kathu forest declared protected woodland

The Kathu forest situated north of the town of Kathu in the John Taolo Gaetsewe District of the Northern cape has been declared a protected woodland in terms of section 12(1)(c) of the National Forests Act 1998 by the Minister of Agriculture, Forestry and Fisheries, Ms. Tina Joemat Pettersson. It was confirmed in the Government gazette dated 10 July 2009. The Kathu forest is unique woodland of exceptionally large camel thorn trees (*Acacia erioloba*). The woodland of approximately 4000 hectares is one of only two such woodlands in the world. Its uniqueness was recognised as early as 1920 when it was proclaimed as a state forest, however it was, proclaimed a state forest in 1956 to allow for the development of the town of Kathu. The Kathu forest was registered as a national heritage site in 1995. The farms and portions that make up the forest are currently privately owned. Threats to the forest are not new as it has a long history of utilisation by man dating back to 800 000 years ago to which billions of artefacts at one of the richest, archaeological sites in the world testify. Concerns have been raised about harvesting these protected trees from the natural heritage site for the fuel wood market. In addition to that, the current development and expansion of the town which include a controversial up-market housing development to the north of the town and new and expanding mines raised concern about the impact of the proposed development to the north of the town and new and expanding mines raised concern about the impact of the proposed development on the Kathu forest's ecological integrity and the potential loss of biodiversity. Groundwater issues were also of major concern, because the lowering of the water table by abstraction could lead to the death of the trees. In terms of the act, no person may cut, disturb, damage or destroy any protected tree, or possess, collect, remove, transport, export, purchase, sell, donate or in any other manner acquire or dispose of any protected tree or any forest derived from a protected tree, conservation zone1:

The allowable activities include hiking trails and limited vehicle tracks that do not require removal of trees.

Zone 2: Low impact eco tourism zone; such as trails, tracks, picnic sites and bush camps.

Zone 3: Eco – estate buffer zone: Low density housing development that retains the natural character of the area with no introduction of alien plant species and subject to and subject to an agreed off – set agreement for the conservation and management of the Kathu protected woodland and adjoining areas, of which the District municipality and local municipality agreed to and acceptance there-off.



1. Background
2. Sector Plans
3. Financial Plan
4. Performance Management System
5. Spatial Development Framework
6. Employment Equity Plan
7. Integrated Environmental Management
8. Local Economic Development
9. Organisational Structure
10. Integrated HIV/AIDS Programme
11. Disaster Management Plan
12. Waste Management Plan
13. Integrated Transport Plan
14. Integrated Housing Sector Plan

## **INTEGRATION PHASE IV**

## **SECTION E: INTEGRATION PHASE IV**

### **1. Background**

After designing the projects, we had to make sure that the designed projects correlate with the initial needs and issues of the community and falls within existing resource frames and legal requirements.

<b>Water Services Development Plan</b>	<b>Poverty Reduction &amp; Gender Equity Plan</b>
<b>5 Year Financial Plan</b>	<b>Environmental Management Programme</b>
<b>3 Year Capital Investment Programme</b>	<b>Integrated Local Economic Development Programme</b>
<b>5 Year Action Plan</b>	<b>Integrated Institutional Programme</b>
<b>Integrated Monitoring &amp; Performance Management System</b>	<b>Integrated HIV/AIDS Programme</b>
<b>Integrated Spatial Development Framework</b>	<b>Disaster Management Plan</b>
<b>Integrated Waste Management Plan</b>	<b>Integrated Transport Plan</b>

### **2. Sector Plans: Water Services Development strategy**

The water services development strategy can be reported as work in progress, but will be completed by the end of December 2013.

**Contact person: Mr. K. Ositang**

### **3. Three year financial plan**

#### **3.1 Financial Management:**

##### **Executive Summary**

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives and distributed pamphlets on the importance of paying municipal services to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 51 and 54, 58 and 59 were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2012/13 MTREF can be

summarized as follows:

- The on-going difficulties in the national and local economy;
- Ageing and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from Sedibeng Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be a point where services will no longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2012/13 MTREF process; and
- High exposure on borrowings which restricts us from borrowing further for infrastructure development.
- The continuous growth of the town which places a huge burden on the municipality to either upgrade its bulk services or develop new bulk infrastructure.
- Lack of proper planning and prioritization by user department; i.e. most of the activities in the budget are not supported with business plans and this adds unnecessary pressure on the finance department during the compilation of the budget. The MTREF makes provision for 3 year rolling plan to allow for proper planning.

The following budget principles and guidelines directly informed the compilation of the 2012/13 MTREF:

- The 2011/12 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2012/13 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/13 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2012/13 MTREF**

<b>R thousand</b>	<b>Adjustments Budget 2011/12</b>	<b>Budget Year 2012/13</b>	<b>Budget Year +1 2013/14</b>	<b>Budget Year +2 2014/15</b>
Total Operating Revenue	199,545	235,518	240,197	332,903
Total Operating Expenditure	184,669	190,435	193,831	215,753
<i>(Surplus)/Deficit for the year</i>	14,876	45,083	46,366	117,150
Total Capital Expenditure	59,249	137,468	117,631	146,336

Total operating revenue totals R235, 075 and represent an increase of 18 per cent or R 35, 973 million for the 2012/13 financial year when compared to the 2011/12 Adjustments Budget. For the

two outer years, operational revenue will drop by 26,81 per cent and subsequently increase by 59,28 per cent respectively.

Total operating expenditure for the 2012/13 financial year has been appropriated at R190,435 million and translates into a budgeted surplus of R45, 083 million that will be used to fund the capital budget. When compared to the 2011/12 Adjustments Budget, operational expenditure has increased by 2,88 per cent in the 2012/13 and 1.76 and 11,32 respectively in the 2013/14 and 2014/15 MTREF. The operating surplus for the two outer years drops to R 30,5million and R31.7 million respectively. These surpluses which will be mainly generated from bulk services and proceeds on sale of land will be used to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of R137, 468 million for 2012/13 is 132 per cent more when compared to the 2011/12 Adjustment Budget. The increase is largely due to the upgrade of bulk services, replacement of ageing fleet particularly in community services and contributions from the mines and Gamagara Development Forum. The capital programme decreases to R117 million in the 2013/14 financial year and increase substantially to R146million in the 2014/15 MTREF. A substantial portion of the capital budget will be funded from internal generated funds. Internal generated funds will contribute 39 and 80 per cent of capital expenditure in each of the MTREF years, when government grants and transfers are excluded. The balance will be funded from grants and contributions from external stakeholders. Note that the Municipality has reached its prudential borrowing limits and so there is very little scope to substantially increase these borrowing levels over the medium-term. The repayment of capital and interest (debt services costs) has substantially increased over the past five years as a result of the aggressive capital infrastructure programme implemented over the past five years. Consequently, the capital budget remains relatively flat over the medium-term.

### **1.1 Operating Revenue Framework**

For Gamagara Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with a town that is growing fast, development backlogs, ageing infrastructure and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

Refer to table 2 in the annual budget for a summary of the 2012/13MTREF (classified by main revenue source):

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2011/12 financial year, revenue from rates and services charges totaled R132 million or 66.46 per cent. This increases to R157million, R162million and R180million in the respective financial years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges which increases from 66 per cent in 2012/13 to 72 per cent in 2013/14, and this uniquely positions Gamagara municipality as one of the few municipalities that are self-sustainable and not dependent on grant. This growth can be mainly attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

Property rates total R21 million rand and increases to R23 million by 2014/15 and 'other revenue' which consists of bulk services and totals R42, 7million by 2012/13 and R32,9 million by 2013/14. Proceeds from the sale of land totals R15 million in the 2012/13 financial year.

Operating grants and transfers totals R29,8 million in the 2011/12 financial year and drops to R27,7 million by 2014/15.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality. Departments have been urged to review all tariffs on an annual basis to ensure they are cost reflective and market related.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Sedibeng Water bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and water tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

#### **1.1.1 Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0, 25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2012/13 financial year based on a 8 per cent increase from 1 July 2012 is contained below:

**Table 2 Comparison of proposed rates to levied for the 2012/13 financial year**

Category	Current Tariff (1 July 2010)	(from 1 July 2011)	Proposed tariff (from 1 July 2012)
	c	C	C
Agricultural Farms	0.001593	0.001720	0.000595
Business/Res Bus Unreg	0.009558	0.010323	0.011148
State owned/Public schools	0.006372	0.006882	0.007432
Mining	0.012744	0.013764	0.014865
Residential	0.006372	0.006882	0.007432
Business	0.012744	0.013764	0.014865
Industrial	0.011151	0.012043	0.013007

### 1.1.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure, new dam construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

A tariff increase of 8 per cent from 1 July 2012 for water is proposed. This is based on input cost assumptions of 10 per cent increase in the cost of bulk water (Sedibeng Water), the cost of other inputs increasing by 10 per cent and a surplus generated on the water service of a minimum 15 per cent. In addition 3 kℓ water per 30-day period will again be granted free of charge to all residents and a further 6 kl will be granted to indigents households.



A summary of the proposed tariffs for households (residential) and non-residential are as follows:

**Table. 3 Proposed Water Tariffs**

CATEGORY	CURRENT TARIFFS 2012/13	PROPOSED TARIFFS 2013/14
	Rand per kℓ	Rand per kℓ
<b>Potable</b>		
(i) 001 – 0006 Kl	Free	Free
(ii) 006 – 00012 Kl	6.57	7.10
(iii) 013 – 00035 kl	8.72	8.48
(iv) 036 – 9999 kl	10,47	11.31
<b>Raw</b>		
(i) 001 – 00200 Kl	4.03	4.35
(ii) 201 – 00300 Kl	4,92	5.31
(iii) 301 – 00400 kl	7,84	8,47
(iv) 401 – 9999 kl	10,90	11,77

The tariff structure of the 2011/12 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate.

### 1.1.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure and has approved a guideline increase for municipalities as follows:

A guideline increase of 11.03%, which is based on the following assumptions:

- Bulk purchases have been increased by 13.50% in line with Eskom's electricity tariff increase to municipalities;
- A consumer price index (CPI) of 5.4%;
- Salary and wage increases of 5%, in line with the increase proposed in the 2011 Medium Term Budget Policy Statement (MTBPS);
- Repairs and maintenance, capital charges and other costs have been increased by the CPI

Considering the Eskom increases, the tariffs were increased in line with their inclining block tariff guideline to offset the additional bulk purchase cost from 1 July 2012; however this has resulted in an average increase of 23.8 per cent as the business tariff increased by 84%. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per 30-day period free of charge. The following table shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

<b>Domestic Tariffs (IBTs)</b>	<b>2011/12</b>	<i>Tariff</i>	<b>2012/13</b>
		<i>Increase</i>	
<b>Prepaid Meters</b>	<b>R</b>	<b>%</b>	<b>R</b>
Block 1 (0-50KWh)	0.63	5.4	0.66
Block 2 (51-350KWh)	0.72	13.56	0.82
Block 3 (351-600KWh)	0.98	11.03	1.09
Block 4 (>600KWh)	1.16	11.03	1.29
<b>Conventional Meters</b>			
Block 1 (0-50KWh)	0.70	5.4	0.74
Block 2 (51-350KWh)	0.82	13.56	0.93
Block 3 (351-600KWh)	1.06	11.03	1.18
Block 4 (>600KWh)	1.16	11.03	1.29

It should further be noted that based on NERSA's advice we are implementing a stepped tariff structure from 1 July 2011. The effect thereof is that the higher the consumption, the higher the cost per kWh. The aim is to subsidize the lower consumption users (mostly the poor).

#### **1.1.4 Sanitation and Impact of Tariff Increases**

A tariff increase of 8 per cent for sanitation from 1 July 2012 is proposed. This is based on the input cost assumptions related to water. It should be noted that electricity costs contributes approximately 20 per cent of waste water treatment input costs, therefore the higher than CPI increase of 10 per cent for sanitation tariffs. The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (100 per cent of 6 kℓ water) will be applicable to registered indigents; and

The following table compares the current and proposed tariffs:

**Table 4 Comparison between current sanitation charges and increases**



CATEGORY	CURRENT TARIFF PER kℓ	PROPOSED TARIFF PER kℓ
	R	R
	2011/12	2012/13
Sewer	3.52 plus 54.57 basic charge	3.80 Plus 58.94 basic charge

### 1.1.5 Waste Removal and Impact of Tariff Increases

A 10 per cent increase in the waste removal tariff is proposed from 1 July 2012. Higher increases will not be viable owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 8 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2012:

**Table 10 Comparison between current waste removal fees and increases**

	Current Tariffs 2011/12 R per Month	Proposed Tariffs 2012/13 R per month
Households (1 x weekly)	R91.65	100,82
Business (2 x weekly)	R133.25	206,54

### 1.2 Operating Expenditure Framework

The Municipality's expenditure framework for the 2012/13 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The budgeted allocation for employee related costs for the 2012/13 financial year totals R63, 582, which equals 33.46 per cent of the total operating expenditure. Since the three year collective SALGBC agreement came to an end, salary increases have been factored into this budget at a percentage increase of 5 per cent for the 2012/13 financial year in line with the increase proposed in the 2012 Medium Term Budget Policy Statement. As part of the planning assumptions and interventions all vacancies will have to be removed from the budget and a report must be compiled by the Corporate Services Department relating to the prioritization of critical vacancies within the Municipality. In addition expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions.

The cost associated with the remuneration of councilors is determined by the Minister of Co-

operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 95 per cent and the Debt Write-off Policy of the Municipality. For the 2012/13 financial year this amount equates to R2,1 million. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been brought at cost. Note that the implementation of GRAP 17 accounting standard means bringing a range of assets previously not included in the assets register onto the register. This will result in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 5, 8 per cent of the operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Sedibeng Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses. Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the Municipality's infrastructure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 8 per cent for 2012/13 indicating that significant cost savings have been already realized.

#### **1.2.1 Priority given to repairs and maintenance**

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2012/13 budget and MTREF provide for extensive growth in the area of asset maintenance, as this emphasizes the need for asset renewal strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

During the compilation of the 2012/13 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance.

#### **1.2.2 Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 3000 or more indigent households during the 2012/13 financial year, a process reviewed annually. Detail relating to free services, cost of free basic services, revenue lost owing to free basic services as well as basic service delivery measurement contained in table 10.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

### 1.3 Capital expenditure

Please refer to Table A5 of the bound budget document for a breakdown of budgeted capital expenditure by vote:

For 2012/13 an amount of R137, 468 million has been appropriated for the upgrading and development of infrastructure. In the outer years this amount totals R117 million and R146million for each of the financial years. 32,80 per cent of the capital budget is funded from internally generated funding and the rest by Grants and contributions from external stakeholders. The said news is that our Municipal infrastructure Grant has been slashed from R17 million reflected in the division of revenue bill to R10 Million in the Division of Revenue Act (DoRA). Please note that the internal funding for capital budget is envisaged from the proceeds from the sale of land and bulk services and unless that is realized no projects will be funded from internal sources.

#### 4. IDP STRATEGIC OBJECTIVES:

The 2012/13 Medium Term Revenue and Expenditure Framework (MTREF) has been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

- a. SA4 - Reconciliation between IDP strategic objectives and budgeted revenue
- b. SA5 - Reconciliation between IDP strategic objectives and budgeted operating expenditure
- c. SA6 – Reconciliation between IDP strategic objectives and budgeted capital expenditure

#### 5. Performance Management

While integrated development planning was introduced as the tool to realize the developmental role of local government, performance management was introduced to monitor and measure the implementation of the IDP. The IDP provides the framework for strategic decision making and performance management ensures that the desired results are achieved during implementation. Performance management is the monitoring and evaluation of an organization (or individuals working for the organization) against agreed criteria in order to reach goals and objectives. Measurement takes place in line with the organization's vision, mission and objectives. To know how we are doing is the key to doing it better.

A performance management system for municipalities should be –

- Seamlessly integrated with the IDP and all its components;
- Developed around the specific circumstances of the municipality;
- Simple and easy to understand;
- Focused and balanced and measuring what it is supposed to measure;
- Realistic and progressive;
- Practical and easy to maintain; and
- Result orientated, i.e. measuring outputs and outcomes.

#### **There are three elements of the performance management system:**

**System:** A municipality must develop a framework which will deal with the “how” to work with performance information. It will also be developing a model which tells it what performance dimensions should be measured and managed. It is a truism that “what can be measured, can be managed” and this applies to the PMS for municipalities. Together these two aspects make up a municipality's performance management system. The whole performance management system links in clear ways to the IDP, municipal budget and staff performance management system.

**Model:** A performance management model is a choice about what aspects or dimensions of performance will be measured. Different models give different pictures of performance by emphasizing different things to measure. The model that a municipality chooses (or develops by itself) will influence which indicators it decides to use, and how it will group these indicators together into areas of performance (efficiency, effectiveness, becoming a learning organization,

customer management, etc.). A model is distinguished here from the performance framework and the performance system.

**Framework:** A performance management framework is the way a municipality collects, presents and uses its performance information. It is a practical plan, made up of mechanisms and processes, for the municipality to collect, process, arrange and classify, examine and evaluate, audit, reflect on and report performance information. These mechanisms and processes work in a cycle which must be linked to the municipality's normal planning (IDP and otherwise) and the annual budgeting cycle. A framework is therefore about 'how' a municipality goes about working with performance information. It is distinguished here from the performance model and the performance system.

**Contact Person: Mr. C. Phuti**

## **6. SPATIAL DEVELOPMENT PLAN:**

The Municipality finds itself currently in an extraordinary development situation with its biggest contraction in Kathu. This puts a lot of pressure on the Municipality to adhere to the needs that arise. This development is caused by the big extensions that are currently taking place within the mines.

The reviewed Spatial plan were tabled at a council meeting for approval on the 02<sup>nd</sup> December 2010; whereby public participation process was followed and the document be viewed as a plan of the Municipality

The SDF can be seen as an inclusive plan of the municipality. More information can be obtained from the municipality.

**Contact Person: Mr. C. Phuti**

## **7. Employment Equity Programme**

The Employment Equity Act, 1998(Act 55 of 1998) prescribes that every designated employer must prepare an employment equity plan which will achieve reasonable progress towards employment equity in that employers workforce. The employment equity plan must be according to the provisions of section 20 of the said act, which Gamagara Municipality is the designated employer in terms of the act.

As a designated employer, Gamagara Municipality must in terms of section 20 of the employment equity act, 1998(act 55 of 1998) "Prepare and implement an employment equity plan which will achieve reasonable progress towards employment equity in the workplace" which is currently under review.

**Contact Person: Mr. C. Phuti**

## **8. Integrated Environmental Management Programme**

The municipality has developed an Integrated Environmental Management Programme and adopted by council, which is long overdue for revision.

**Contact Person: Mr. G. Loeto**

## **9. Integrated LED Programme**

Council at a council meeting, which was held on 13th October 2010, adopted the LED Strategy.

**Contact Person: Mr. Herbet Motlonye**

## **10. ORGANISATIONAL STRUCTURE**

A high level organisational structure of the municipality is as follows:



The Municipality approved the reviewed organogram on Thursday, 28<sup>th</sup> February 2010, which can be obtained from the Municipality, but needed to be reviewed as per the Municipal Turn Around Strategy, all HR policies was workshop and tabled to council for approval on 31<sup>st</sup> March 2011.

**Contact person: Mr. C. Phuti**

### **11. Integrated HIV/ AIDS Programme**

The HIV/AIDS Policy is currently under reviewed and needed to be workshop with the involvement of all stakeholders and ensuring alignment with the John Taolo Gaetsewe District Municipal HIV/AIDS Policy.

**Contact Person: Mr. G. Loeto**

### **12. Disaster Management Plan**

The District municipality is in a process of developing the District disaster management plan, which will include those of local municipalities, the information can be obtained from the John Toalo Gaetsewe District municipality.

The municipality has adopted a disaster operational plan at a Council Meeting of 19/04/2007.

Kumba Iron Ore, Sishen mine, renders the following services: Fire fighting and Emergency Services as well as high voltage electricity.

**Contact Person: Mr. G. Loeto**

### **13. Integrated Waste Management Plan**

The District municipality has developed and adopted an Integrated Waste Management Plan.

**Contact Person: Mr. G. Loeto**

### **14. Integrated Transport Plan**

A district wide plan was developed by the District Municipality, but the Municipality intend to develop their own plan before the end of December 2013.

**Contact Person: Mr. Kagiso Ositang**

### **15. Integrated Housing Sector Plan (Draft)**

The district municipality assisted the municipality in the compilation of the plan by appointing external service providers.

NC453 Gamagara - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

NC433 Galiagara - Supporting Table SA4 Reconciliation of IDP Strategic Objectives and Budget (Revenue)													
Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand													
Basic Service Delivery & Infrastructure Development	Water			22 434	23 591	31 795	37 620	46 025	46 025	50 175	42 700	46 626	
	Electricity			57 216	60 467	67 331	95 651	96 161	96 161	103 291	168 202	148 124	
	Sanitation			28 734	25 699	34 428	19 739	42 739	42 739	29 663	12 712	13 882	
	Roads & Stormwater			8 723	4 511	2 159	—	—	—	—	—	—	
Economic Development	Housing				18 874	12 141	21 221	48 004	48 004	24 008	86	86	
	Local Economic Development			739			43	43	43	46	48	51	
Social Development	Youth Development/ Transversal Groups						—	—	—	—	—	—	
	Community & Social			344	10 275	12 255	480	539	539	504	504	504	
	Sports & Recreation			105	20		1 814	1 814	1 814	1 969	2 246	2 290	
	Cemeteries						80	95	95	96	102	103	
Environmental Development	Waste Management			9 602	1	(5)	9 834	9 834	9 834	10 651	11 608	12 675	
	Health				8	36	2	2	2	2	2	2	
Safety & Security	Road Safety						2 533	2 856	2 856	3 001	3 161	3 327	
	Fire and Rescue Services			1 657			—	—	—	—	—	—	
Good Governance	Integrated Planning			1 704	168	312	210	1 089	1 089	1 208	1 273	1 342	
	Executive & Council			11 034	17 985	18 365	21 195	21 195	21 195	21 693	22 562	23 473	
Financial Viability	Financial Management			18 498	24 087	20 581	25 097	25 097	25 097	25 145	26 496	27 908	
	Human Resources					2 363	—	—	—	—	—	—	
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	160 789	185 685	201 761	235 518	295 492	295 492	271 451	291 703	280 394

NC453 Gamagara - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

NC433 Galiagala - Supporting Table SAS Reconciliation of IDP Strategic Objectives and Budget (Operating Expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand													
Basic Service Delivery & Infrastructure Developoment	Water			13 267	20 071	21 398	22 077	23 639	23 639	21 132	22 241	28 895	
	Electricity			16 860	10 830	11 249	53 661	66 630	66 630	67 931	78 259	95 650	
	Sanitation			32 488	42 603	61 518	13 638	13 667	13 667	12 338	12 047	12 631	
	Roads & Stormwater			2 577	7 121	7 747	5 015	5 015	5 015	5 326	5 557	5 926	
	Housing				14 155	11 743	6 313	9 096	9 096	6 315	181	191	
Economic Development	Local Economic Development				2 226	949	1 535	3 057	3 057	1 634	1 731	1 829	
	Youth Development/ Transversal Groups						662	662	662	475	499	523	
Social Development	Community & Social			5 018	13 006	19 274	5 459	5 515	5 515	6 853	7 010	7 375	
	Sports & Recreation				615		9 906	9 952	9 952	10 912	11 710	12 439	
	Cemeteries			551			165	165	165	169	179	184	
Environmental Development	Waste Management			12 390	6 313	6 126	12 725	12 601	12 601	13 453	14 332	15 127	
	Health				1 044	1 151	1 217	1 217	1 217	1 621	1 727	1 829	
Safety & Secuty	Road Safety						3 790	3 790	3 790	4 005	4 303	4 560	
	Fire and Rescue Services			2 707			571	571	571	853	924	975	
Good Governace	Integrated Planning			2 549	1 579	3 360	11 713	10 257	10 257	14 327	14 479	15 359	
	Executive and Council			7 668	16 192	20 518	15 581	15 667	15 667	17 358	18 319	19 284	
Financial Viability	Financial Management			19 619	22 617	14 677	15 699	15 671	15 671	17 575	17 518	18 453	
	Human Resources					10 133	10 707	11 117	11 117	12 417	13 149	13 883	
Allocations to other priorities													
Total Expenditure				1	115 694	158 374	189 844	190 435	208 288	208 288	214 695	224 166	255 114

NC453 Gamagara - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

NC435 Galiagala - Supporting Table 5Aa Reconciliation of IDP Strategic Objectives and Budget (Capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
Basic Service Delivery and Infrastructure Investments	Water	A		365	8 617	6 186	11 605	8 715	8 715	37 161	15 550	7 500
	Sanitation	B		17 714	14 499	21 872	29 489	78 247	78 247	43 123	34 143	34 210
	Electricity	C			8 889	4 851	4 822	11 552	11 552	8 793	45 350	11 100
	Roads & Stormwater	D					17 247	19 365	19 365	20 563	2 500	2 500
	Housing	E			65	–	6 000	8 492	8 492	42 332	3 000	3 000
Economic Development	Local Economic Development	F					550	550	550	–	–	–
	Transversal Groups & Youth Development	G					5 158	–	–	–	1 750	1 750
Social Development	Community & Social	H		17	318	420	3 887	3 722	3 722	1 550	–	–
	Sport & Recreation	I		3	21	1 432	36 411	6 021	6 021	14 115	13 225	1 000
	Cemeteries	J					–			800	–	–
Environmental Development	Waste Management	K		80	266	425	11 400	10 907	10 907	4 980	3 000	3 000
	Health	L			16	–	18	18	18	57	–	–
Safety & Security	Road Safety	M		3 547	2 231	246	5 000	5 000	5 000	471	12 824	–
	Fire and Rescue Services	N		11	–	–	35	35	35	293	–	–
Good Governance	Integrated Planning	O			295	1 953	513	513	513	2 883	600	600
	Executive and Council			1 514	809	539	1 581	1 581	1 581	50	–	–
Financial Viability	Financial Management			33	143	24	236	236	236	271	–	–
	Human Resources			496	790	991	3 515	4 700	4 700	2 588	–	–
Allocations to other priorities			3									
Total Capital Expenditure			1	23 781	36 959	38 938	137 468	159 655	159 655	180 030	131 942	64 660



